SENATE.

WEDNESDAY, April 3, 1918.

The Senate met at 1 o'clock p. m.

Rev. J. J. Muir, D. D., of the city of Washington, offered the

following prayer:

Our Father and our God, our hope and help in these days of stress and strain, we humbly supplicate Thy presence continually, so that whether we think of conditions at home or abroad we may be sure that the success of the arms of our soldiers with their allies shall be realized, and we trust speedily. Graciously guide Thy servants in all their duties and upon the President smile with Thine approbation. We humbly beseech Thee, in Christ our Lord's name. Amen.

The Vice President being absent, the President pro tempore assumed the chair.

The Journal of yesterday's proceedings was read and approved.

NATIONAL PROHIBITION.

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the secretary of state of the State of Delaware, inclosing, in accordance with instructions from the governor of that State, a certified copy of the ratification of the amendment to the Constitution of the United States, which was passed at the special session of the general assembly, which will be read and placed on the files of the Senate.

The communication is as follows:

STATE OF DELAWARE, OFFICE OF SECRETARY OF STATE, Dover, Del., April 2, 1918.

To the President of the Senate,

Washington, D. C.

Dear Sir: In accordance with instructions from his excellency, John G. Townsend, fr., governor of the State of Delaware, I am herewith inclosing certified copy of the ratification of the amendment to the Constitution of the United States, which was passed at the special session of the general assembly.

Kindly acknowledge receipt of same and oblige,

Very truly, yours,

Everett C. Johnson.

EVERETT C. JOHNSON, Secretary of State.

STATE OF DELAWARE, EXECUTIVE DEPARTMENT, DOVER.

I, John G. Townsend, Jr., governor of the State of Delaware, do hereby certify that the following is a true and correct copy of house joint resolution No. 3, approved the 26th day of March, A. D. 1918, as the same appears on file in the office of the secretary of state of the State of Delaware.

of Delaware.

Joint resolution ratifying the proposed amendment to the Constitution of the United States of America prohibiting the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes, and giving to the Congress and the several States concurrent power to enforce the same by appropriate legislation.

Whereas the Congress of the United States has proposed an amendment to the Constitution of the United States of America, as follows:

"Section 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"Sec. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"Sec. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Re it resolved by the Senate and House of Representatives of the

Congress."

Be it resolved by the Senate and House of Representatives of the State of Delaware in General Assembly met, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of Delaware; and be it further

Resolved, That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

HERVEY P. HALL,
Speaker of the House.
LEWIS E. ELIASON,
President of the Senate.

Approved March 26, 1918.

JOHN G. TOWNSEND, Jr., Governor,

In testimony whereof I have hereunto set my hand and caused the great seal of the State of Delaware to be affixed at Dover this 29th day of March, in the year of our Lord 1918, and of the independence of the United States the one hundred and forty-second.

[SEAL.] By the governor:

JOHN G. TOWNSEND, Jr.

EVERETT C. JOHNSON. Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the

following bills, in which it requested the concurrence of the Senate:

H. R. 10265. An act to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs; and

H. R. 11123. An act to amend an act approved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign Governments, and for other purposes.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

S. 2469. An act to authorize the change of name of the steam-

ship Caldera to A. T. Kinney;
H. R. 2617. An act to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish; and

H. R. 10365. An act granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct

a bridge across White River at Forsyth, Mo.

PETITIONS AND MEMORIALS.

Mr. WARREN presented petitions of sundry citizens of Pine Bluffs, Albion, and Lagrange, all in the State of Wyoming, praying for national prohibition as a war measure; which were ordered to lie on the table.

Mr. LODGE. I present resolutions adopted by the Legislature of the Commonwealth of Massachusetts, which I ask may be

printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

[The Commonwealth of Massachusetts, in the year 1918.] Resolutions relative to the independence of Ireland.

Resolutions relative to the independence of Ireland.

Resolved, That the General Court of Massachusetts hereby requests that the Congress of the United States, if it shall be deemed expedient, shall recommend that the right of Ireland to be a free and independent country be considered at any peace conference which may be held at the termination of the present war; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the presiding officers of both branches of Congress and to each Senator and Representative in Congress from this Commonwealth.

In house of representatives, adopted March 14, 1918.

In senate, adopted, in concurrence, March 19, 1918.

A true copy.

Attest:

ALBERT P. LANGTRY, Secretary of the Commonwealth.

Mr. McLEAN presented a petition of sundry citizens of Manchester, Conn., and a petition of the Council of Jewish Women of Hartford, Conn., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a memorial of sundry citizens of Lyme, Conn., and a memorial of sundry citizens of Old Lyme, Conn., remonstrating against the submission of a Federal suffrage amendment to the legislatures of the several States, which

were ordered to lie on the table.

Mr. PHELAN presented a petition of the Chamber of Commerce of San Francisco, Cal., praying for enactment of legislation to impose punishment upon all persons destroying or attempting to destroy property and committing other outrages in the United States, which was referred to the Committee on the Judiciary.

Mr. SHEPPARD presented a petition of the Texas Aberdeen-Angus Breeders' Association, of Fort Worth, Tex., praying for enactment of legislation to provide for the eradication of tuberculosis and for indemnity to owners of tubercular cattle, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the Board of City Development of San Angelo, Tex., favoring a boycott on German goods and that the teaching of the German language be discontinued in the United States, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. KENDRICK, from the Committee on Indian Affairs, to which was referred the bill (S. 3663) authorizing the Cowlitz Tribe of Indians residing in the State of Washington to submit claims to the Court of Claims, reported it with amendments and submitted a report (No. 352) thereon.

Mr. WALSH, from the Committee on Pensions, to which was referred the bill (H. R. 9506) granting pensions and increase of

pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors, reported it with amendments and submitted a report (No. 354) thereon.

Mr. NUGENT, from the Committee on Indian Affairs, to which was referred the bill (H. R. 4910) to authorize the establishment of a town site on the Fort Hall Indian Reservation, Idaho, reported it without amendment and submitted a report (No. 353) thereon.

Mr. OWEN. From the Committee on Banking and Currency I report back adversely the bill (S. 4137) to amend section 5219 of the Revised Statutes, with the recommendation of its indefi-

nite postponement, and I submit a report (No. 355) thereon.

The PRESIDENT pro tempore. Without objection, the bill

will be indefinitely postponed.

EMPLOYMENT OF ADDITIONAL CLERKS.

Mr. THOMPSON. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with amendments Senate resolution 75, and I call the attention of the junior Senator from New York [Mr. Calder] to the resolution.

Mr. CALDER. I ask unanimous consent for the immediate consideration of the resolution.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendments were, on page 1, line 2, after the word " Senator," to insert the words "having no more employees than one clerk, one assistant clerk, and one messenger, for himself or for the committee of which he is chairman"; on page 2, line 2, strike out "first" and insert "second"; and in line 3 strike out "\$4 per diem" and insert "\$100 per month," so as to make the resolution read:

Resolved, That each Senator having no more employees than one clerk, one assistant clerk, and one messenger, for himself or for the committee of which he is chairman, is hereby authorized to employ an additional clerk for the remainder of the second session of the Sixty-fifth Congress, at the rate of \$100 per month, said compensation to be paid out of the miscellaneous items of the contingent fund of the Senate.

The amendments were agreed to.

The resolution as amended was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4247) granting an increase of pension to Josephine

A bill (S. 4248) granting an increase of pension to Annie Robbins; to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 4249) granting a pension to Sarah E. White (with accompanying papers); to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4250) granting an increase of pension to Alanson H. Nelson (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 4251) granting an increase of pension to Wesley C. Sharp (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 4252) granting an increase of pension to Monroe Eddy (with accompanying papers); to the Committee on Pen-

By Mr. HOLLIS:

A bill (S. 4253) granting an increase of pension to Cyrus B. Norris (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4254) for the relief of Marion B. Patterson, widow of the late Gen. Robert F. Patterson; to the Committee on

A bill (S. 4255) granting a pension to Ida E. Morrill; and A bill (S. 4256) granting a pension to Hannah M. Flaherty; to the Committee on Pensions.

By Mr. KING:

A bill (S. 4257) to amend the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, and for other purposes; to the Committee on the Judiciary.

By Mr. SHIELDS:

A bill (S. 4258) granting a pension to John H. Smith (with accompanying papers); to the Committee on Pensions,

PRICES OF FOODSTUFFS.

Mr. THOMPSON. I submit the following resolution and ask that it be read:

The resolution (S. Res. 221) was read, as follows:

The resolution (S. Res. 221) was read, as follows:

Whereas the prices of meat, poultry, eggs, butter, canned goods, and other necessaries of life alleged to be handled and controlled by the packing industries of the country have become so high that it is difficult for people of limited means or for laborers working for daily wages to purchase in sufficient quantities to properly sustain life, provoking dissatisfaction among the masses of the people; and Whereas the packing plants under private control seem powerless to so control and regulate the labor employed in their plants as to keep them contented and satisfied without striking and resorting to violent methods to redress their grievances, which has delayed and prevented the production to the full capacity of the plants and has caused failure to promptly fill Government contracts; and
Whereas the high prices and unreasonable monopolistic control by the packers has greatly increased the cost of foodstuffs to supply the Army and Navy during the war, thereby diminishing our fighting power in the war; and
Whereas the limited control through the Food Administration of said packing industries is so ineffective, and the allowance of a profit to the packers above all losses, no matter how caused, of from 9 per cent to 15 per cent on their investment, including all borrowed money, which, through the control by the packers of the financial institutions of the country, was borrowed at a very low rate of interest, is unreasonable and difficult to carry out owing to the peculiar methods of bookkeeping employed by the packers to arrive at the profit allowed by the Government, all of which, as shown by the investigation carried on by the Federal Trade Commission, the hearings conducted by the Senate Agricultural Committee and other congressional committees, has resulted in great injury and loss to the people of the country: Now, therefore, be it

*Resolved by the Senate of the United States of America, That the United States Government take over, control, and operate all

Mr. THOMPSON. I ask that the resolution may be referred. to the Committee on Agriculture and Forestry.

The PRESIDENT pro tempore. Without objection, it is so referred.

AGRICULTURAL APPROPRIATIONS.

Mr. GORE. I move that the Senate reconsider the vote by which it insisted upon its amendments to the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919, and agreed to the conference asked for by the House on the disagreeing votes of the two Houses thereon.

The motion to reconsider was agreed to.

Mr. GORE. I move that the House be requested to return to the Senate the bill with the Senate amendments and accompanying papers.

The motion was agreed to.

AMENDMENT OF ESPIONAGE ACT.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9504) to amend section 4067 of the Revised Statutes by extending its scope to include women, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. OVERMAN. I move that the Senate insist upon its amendments, agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. Overman, Mr. Fletcher, and Mr. Nelson conferees on the part of the Senate.

HOUSE BILL REFERRED.

H. R. 11123. An act to amend an act approved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes," was read twice by its title and referred to the Committee on Finance.

EDUCATION OF ADULT ILLITERATES.

The PRESIDENT pro tempore. The morning business is

Mr. SMITH of Georgia. I move that the Senate proceed to the consideration of the bill (S. 4185) to require the Commissioner of Education to devise methods and promote plans for

the elimination of adult illiteracy in the United States.

The motion was agreed to; and the Senate, as in Committee

of the Whole, resumed the consideration of the bill.

Mr. SMITH of Georgia. I desire to suggest the following amendment: On page 2, in line 3, after "and," strike out the word "others" and insert the words "those engaged in educational work in cantonments and camps."

The PRESIDENT pro tempore. The Chair is informed that for the moment the amendment offered by the Senator from Georgia is not in order because an amendment was pending to which an amendment was offered.

The Secretary will report the pending amendment.

The Secretary. The Senator from Utah [Mr. King] proposed the following amendment:

On page 2 beginning with line 14 after the words "nineteen hundred and eighteen." strike out "and \$50,000 for each succeeding fiscal year until June 30, 1928."

Before striking out, the Senator from Georgia moves to perfect the part proposed to be stricken out by striking out "1928" and inserting in lieu thereof "1922."

Mr. GALLINGER. I appeal to the Senator from Georgia to make that "1920" instead of "1922." That will give an appropriation for three years, and if it works well there will be no

difficulty in getting future appropriations.

Mr. SMITH of Georgia. I have reduced the time to 1922. I know that there can be good work done. That is a very small appropriation. I hope the Senator will not insist upon reducing

it still further.

Mr. GALLINGER. Entertaining the views I do, and I should like to vote for the bill, I shall feel compelled to offer the amendment. Of course, the Senate can do with it what it pleases, but I hoped the Senator from Georgia would agree to it.

Mr. SMITH or Georgia. I do not think it ought to be done. I think to reduce it below 1922 is unwise. If the Senate sees

fit to do it, of course Mr. GALLINGER.

Regretting that the Senator does not respond affirmatively to my suggestion, I move to amend the proposed amendment by striking out "1922" and substituting "1920."

Mr. SMITH of Georgia. Before that is acted upon I should like to have the views of the Senator from Vermont [Mr. PAGE], who is equally interested with myself in the bill. It is the re quest of the Senator from New Hampshire that we put the period 1920 instead of 1922, giving only three years. Mr. PAGE. The Senator from Vermont is something of a

Yankee and he would suggest that the Senator from Georgia

and the Senator from New Hampshire split.

Mr. GALLINGER. I accept that, Mr. President, and move to make it 1921

Mr. SMITH of Georgia. I understand the proposition is to make it 1921, and I agree to it, so far as I am concerned.

The PRESIDENT pro tempore. Without objection, the amendment offered by the Senator from New Hampshire as modified, inserting "1921" instead of "1922," is agreed to. The Chair hears no objection, and it is agreed to. The question is on agreeing to the amendment of the Senator from Utah [Mr. KING].

Mr. SMITH of Georgia. The proposition of the Senator from Utah is to strike out the entire period beyond the first year. think that would seriously injure the measure, and I hope the amendment will be defeated.

Mr. GALLINGER. If agreeable to the Senator from Utah to withhold his motion, I should like to offer two or three minor

I shall be very glad to withhold the motion until Mr. KING. the Senator from New Hampshire offers such amendments as he

Mr. GALLINGER. I call the attention of the Senator from Georgia to line 6, page 1. After the word "methods" I move to insert the words "and promoting plans," using the language in the title.

Mr. SMITH of Georgia. That is perfectly satisfactory.

Mr. GALLINGER. I move that amendment.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. GALLINGER. In line 4, page 2, after the word "operation," I move to insert the words "and in carrying on the work night schools may be established and utilized.

Mr. SMITH of Georgia. Mr. President, I hardly think that is in harmony with the bill, because they are not allowed to use this money for schools; they are only to use the money to stimulate schools and work out plans for the schools conducted by local authority. None of this money can be used to hire teachers. This money can be used to work out the plans and to send

representatives to cities to urge the organization in the cities and to help plan the way of conducting the schools.

Mr. GALLINGER. Mr. President, the Senator says they can not hire teachers; but they can accept voluntary teaching,

Mr. SMITH of Georgia. That is true; to that extent it can be done.

Mr. GALLINGER. Or they might have night schools for that purpose.

Mr. SMITH of Georgia. With that view I do not object.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. GALLINGER].

The amendment was agreed to.
Mr. GALLINGER. Mr. President, in lines 16 and 17, on page 2, section 2, it is provided:

That no part of the money herein appropriated shall be used to pay teachers or school officers—

And so forth.

In view of what the Senator from Georgia said a moment ago I shall not offer an amendment at that point which I had in mind, but will simply content myself by suggesting to the Senator that if the bill shall pass and the amendment of the title comes up I hope he will see that the words "and the District of Columbia" shall be inserted in the title after the word

Mr. SMITH of Georgia. Yes.

Mr. PENROSE. Mr. President, I should like to make an inquiry of the Senator from Georgia having the bill in charge. I notice on line 7 the expression, which is rather extraordinary and certainly not usual statutory language, "meager educa-"meager education"? Is it a lack of knowledge of Latin and Greek or of the higher mathematics? Where do we begin at the "meager" stage, and also who is to be the judge of the meager" conditions?

Mr. SMITH of Georgia. The bill, as a whole, as has been stated a number of times, is simply intended to stimulate education among the illiterate and to seek to remove illiteracy. would say that a lack of ability to write one's name would be a very "meager education," although such a person could read a little. This bill is designed to stimulate education among

adults, and especially among the illiterates.

Mr. PENROSE. Mr. President, I fully understand the purpose of the bill, and I do not share the annoyance of some Senators at the inadequate character of the appropriation, for I feel entirely satisfied that if the Federal Government goes into a scheme of education-which, in the history of our Government, has heretofore belonged to the States-there will be an expenditure of many millions annually, instead of the insignifi-cant sum of \$100,000 which is named in the bill; but before we start on this venture I am quite curious to know what is meant by "meager education."

Mr. SMITH of Georgia. If the Senator from Pennsylvania objects to the language, I am willing to have it stricken out and to leave the word "illiterates," if the Senator understands that better.

Mr. PENROSE. I certainly think the phrase a most extraordinary one. An adjective has no place in a statute anyway. If the Senator had any clearly defined idea in his mind when he used the word "meager," I have an absorbing curiosity to know just what it means.

Mr. SMITH of Georgia. I have stated that I presented the bill, believing in its general purposes, not having prepared the

bill myself.

Mr. PENROSE. Yes. Mr. SMITH of Georgia. The Senator from Georgia also stated that he entertained the view that bills of this kind presented in this way could with great propriety be considered and perfected upon the floor of the Senate, and that he was not one of those who objected to their being so perfected by the Senate itself. If the Senator from Pennsylvania desires to strike out the word "meager," I shall not object.

Mr. PENROSE. As the Senator from Georgia disavows the paternity of the measure, has he any objection to stating who

is its author?

Mr. SMITH of Georgia. Not the slightest. I opened the consideration of the bill with that information. I obtained unanimous consent to have printed in the Record a letter from the Secretary of the Interior commending the bill and fully discussing the occasion which brought to his attention the necessity for such legislation. It was the discovery that there were 700,000 illiterates, who were in part men who could not speak English, among those drafted and those covered by the present

Mr. PENROSE. Well, the Senator from Georgia has defined meager education" to mean an inability to sign one's name. Why not put that language in the bill?

Mr. SMITH of Georgia. I do not undertake to definitely describe it. It means certainly a very limited education.

Mr. PENROSE. I would suggest the insertion of the words "or including inability to sign one's name."

Mr. SMITH of Georgia. I think the same purpose would really be reached if the word "illiterates" were simply left.

Mr. PENROSE. I have some reluctance to see the word go out of the bill; it is such an extraordinary word. Mr. SMITH of Georgia. Then, suppose we leave it in.

Mr. PENROSE. But, in the interest of elegance of diction. I move to strike out the language "and men and women of meager education."

Mr. SMITH of Georgia. I have no special objection to that, because I think the word "illiterates" covers it.

Mr. PENROSE. I hope the Senator from Georgia has no objection at all to that language being stricken out. I hope he cheerfully agrees to that being done.

Mr. SMITH of Georgia. I have no objection to seeking to stimulate and improve the education of adults who have very limited education.

Mr. PENROSE. Then I move to strike out the language " and men and women of meager education."

The PRESIDENT pro tempore. The amendment proposed by the Senator from Pennsylvania will be stated.

The Secretary. On page 2, line 18, it is proposed to strike out the words "and men and women of meager education."

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. STERLING. Mr. President—
The PRESIDENT pro tempore. If the Senator from South Dakota will pardon the Chair a moment, the Chair calls the attention of the Senator from Pennsylvania to line 22, page 2, where similar language occurs.

Mr. PENROSE. Yes; the phrase occurs again in lines 21 and 22, where it reads "and men and women of meager education." That would be included in my original amendment to strike out those words also.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. STERLING. Mr. President, I desire to move an amendment going to the form of the bill. On page 1, line 8, I move to strike out the words "to aid," and in lieu thereof to insert the words "in aiding."

Mr. SMITH of Georgia. I have no objection to that. It is simply a matter of language.

The PRESIDENT pro tempore. The amendment proposed by the Senator from South Dakota will be stated.

The Secretary. In the amendments heretofore agreed to, at the top of page 2, after the words "United States, to aid the States in teaching English to aliens and naturalized citizens," it is proposed to strike out the words "to aid" and to insert the words "in aiding."

The PRESIDENT pro tempore. The Chair will put the question in this way: The question is on reconsidering the amendment as adopted for the purpose of adopting the amendment now offered by the Senator from South Dakota. Is there objection to the reconsideration? The Chair hears none, and the motion by which the amendment was adopted is reconsidered. Senator from South Dakota offers the amendment which has just been reported. Without objection, the amendment of the Senator from South Dakota is agreed to. The question now is on agreeing to the amendment as amended. Without objection, the amendment as amended is agreed to.

Mr. STERLING. Mr. President, I desire to offer another amendment as a matter of form. On page 2, line 2, after the word "and," I move to insert the words "the commissioner shall," so that the language shall read:

The commissioner shall cooperate with the State, county, district, and municipal education officers.

I am not sure whether that language is included in the amendment or not. If so, I would move to reconsider the vote by which the amendment was adopted.

The Secretary. On page 2, line 3— Mr. STERLING. Line 2 of the reprint. The PRESIDENT pro tempore. The Chair will state that he is informed by the Secretary that amendments are being offered to the bill in its reprinted form and not to the original bill as Senators will have to reduce their it is being considered. amendments to writing.

ate," it is proposed to insert the words "the commissioner shall."

Mr. GALLINGER. So that it will read?

The Secretary. So that it will read:

The SECRETARY. So that it will read:

To promote plans for the elimination of illiteracy, and the extension of education among the adult population, and the commissioner shall cooperate with State, county, district, and municipal education officers and others in putting these plans into operation, and in carrying on the work night schools may be established and utilized: Provided, That any action taken by the Commissioner of Education to remove illiteracy among the enlisted men of the Army or Navy shall be undertaken only by the approval and direction of the Secretary of War or Secretary of the Navy, respectively.

Mr. STERLING. Mr. President, the reading into given here.

Mr. STERLING. Mr. President, the reading just given by the Secretary incorporates at the proper place the language I suggested as an amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Dakota,

The amendment was agreed to.

Mr. PENROSE. Mr. President, this bill, in my opinion, belongs to an ancient vintage. It is clearly an effort on the part of the head of a bureau to get hold of \$100,000 to expand his activities and perhaps create additional useless places in the midst of this war crisis, when the money could well be devoted to better purposes. I move to add the following as a proviso at the end of the bill:

Provided, That no additional salaried positions shall be permitted under this act, and no part of this appropriation shall be expended for the additional compensation of any employee in the Office of the Commissioner of Education.

Mr. CHAMBERLAIN. Mr. President, I desire to voice my protest against the whole bill. My impulse when it was first presented to the Senate was to vote for it. I was attracted favorably to the measure by the suggestion that it was for the education of illiterates, particularly those amongst the soldiers that might return from the Army in France. Without meaning that this shall apply to the distinguished advocates of the bill, I wish to state, Mr. President, that it has sometimes been said with a good deal of truth "that patriotism is the last refuge of a scoundrel.'

This bill, as the Senator from Georgia has said, was not prepared by him; I am sure it was not prepared by him; and I think I can safely say that it had very little consideration at the hands of the committee. I voted yesterday to recommit it to the committee for the purpose of reconciling its inconsistencies and coordinating its provisions with legislation that now

appears upon the statute books of our country.

I oppose this bill, Mr. President, first, because it proposes a duplication of work now done by a bureau of the Department of Labor. That is the first proposition. I oppose it, secondly, because the appropriation asked for is but a forerunner of immense appropriations that will be asked for a little later on: and I am going to prove by the advocates of the bill themselves that when they ask for fifty or even a hundred thousand dollars it is not sincere, and that it is their purpose later on to ask for much larger sums. Thirdly, I am entirely opposed, Mr. President, to the methods of the Bureau of Education in this and in other matters.

About a year and a half ago it developed here, in the discussion of an appropriation bill before the Senate, that this bureau had innumerable men in its employ at a dollar a year, paid by the United States, with their real salaries paid by private persons and corporations, representing all sorts of propaganda, some of which might have been in the interest of America but some entirely opposed to the institutions of our country. So a proviso was added to that bill to undertake, if possible, to limit the activities of the Bureau of Education and those who were affiliated with it.

I make no charge against the distinguished Secretary of the Interior, but I say that this bureau is being and has been operated in the interest of individuals and interests which in some instances are opposed to the best interests of our Govern-

I am not going into the whole subject, as it was fully gone into at that time; but I call the attention of the committee to this proposition: A resolution was at that time introduced in and adopted by the Senate calling upon the different departments of the Government to furnish a list of men who were working at \$1 per year in the several departments and at the same time receiving salaries from private persons and sources. Amongst other names reported by the Bureau of Education and by the Secretary of the Interior was this list [indicating]. There are 152 names of persons thereon who were so employed. I think the Senator from New Hampshire [Mr. Gallinger] stated at that time there were 152 of such persons on the list.

Mr. PENROSE. May I ask the Senator from what document he is reading?

Mr. CHAMBERLAIN. I am reading from the Congressional Record of January 26, 1917, at page 2308.

Mr. PENROSE. Is that an extract from the report?

Mr. CHAMBERLAIN. I am going to read an extract from

the report of the Secretary of the Interior.

At least 150 names were furnished to the Senate of individuals receiving salaries, some of them as high as \$10,000 a year, from private sources, who were on the Government pay roll at \$1 a year, and many of these individuals were writing essays and other papers and sending them out through the Bureau of Education under the frank of the Government. I am going to show that the very association that is now here with this bill asking for the appropriation of \$100,000 have been in times past, and possibly are doing so now, sending out over this country thousands and hundreds of thousands of papers and documents at the expense of the Government in the franked envelopes of the Bureau of Education.

In the list that was furnished us by the Secretary of the Interior of the persons who were employed in the Bureau of Education at Washington and whose salaries were paid in part by organizations other than the Federal Government are the names of H. H. Wheaton, at a salary of \$2,500 a year, paid by the Committee for Immigrants in America; F. E. Farrington, who, I understand, has since gone out, and another employed in

his stead.

Mr. OVERMAN, Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore, Does the Senator from Oregon yield to the Senator from North Carolina?

Mr. CHAMBERLAIN. Yes.

Mr. OVERMAN. The Committee on Appropriations have now under consideration the legislative, executive, and judicial appropriation bill. Dr. Claxton, the chief of the Bureau of Education, has been before us. He said nothing about this matter. Why does he not send down his estimate—and I was talking about this matter yesterday—in the regular manner, so that it may be considered by the committee and discussed? Instead of that, there comes on the floor a separate bill, calling for a separate appropriation, that has never been before the proper committee. We pass on these matters of appropriation. It has never been before us.

Mr. SMITH of Georgia. Mr. President, the Senator does not expect to have estimates sent to the Appropriations Committee for matter that is not provided for by law, does he? It requires authority to do this work before the appropriation is made. This bill was drawn as an authorization. The Senator from New Hampshire amended it so as to make it an appropriation.

It was originally an authorization of this work.

Mr. KENYON. Mr. President---

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Iowa?

Mr. CHAMBERLAIN. I yield.

Mr. KENYON. I am a member of the Committee on Education and Labor, and I should like to ask the chairman of the committee if this bill was ever considered by the full committee? Mr. SMITH of Georgia. It was considered by those who were

present.
Mr. KENYON. When was that? I have made it a point to

attend the meetings of the committee.

Mr. SMITH of Georgia. It was Monday a week ago.

Mr. KENYON. I was unable to be here then.

Mr. CHAMBERLAIN. Mr. President, continuing what I had to say, we find here the name of F. E. Farrington—who, I believe, has since gone out, and somebody has taken his place—on a salary, paid by this same Committee for Immigrants in America, of \$2,400.

T. M. Ave-Lallemant, a French name—is on the same roll,

paid by the same concern \$1,500 a year.

Mr. WHLLIAMS. What is this?

Mr. CHAMBERLAIN. It is the same society under a different name that is now passing the pending bill. It purports to be for the education of illiterate aliens. The bill appeals to the tender side of Members of Congress, and I know it appeals to the generous side of the distinguished Senator from Mississippi, because it is to educate the illiterates of the country and to help the soldiers—an afterthought, by the way, which was never in the minds of this distinguished committee at the time the bill was first proposed, in 1915. Help for our soldiers was an afterthought for the purpose of taking advantage of this wave of patriotism and enthusiasm to impose upon the American people an institution that in the last analysis is bound to cost, not \$500,000, but \$10,000,000 in order to make it a success.

Continuing these names, we find the name of Martha B. Burzuska, at a salary of \$1,200 a year, paid by the same association; Paul A. Malone, on a salary of \$720, paid by the same institution; Isabel Malone, at a salary of \$600 a year, paid by the same institution; all on the pay roll of the Government and

getting from the Government only \$1 per annum. That association, under another name, is now behind this bill, Mr. President, as its author and backer.

Mr. President, this distinguished body of men and women who are representing this committee for immigrants get into the Bureau of Education, and the Government franks are utilized for sending out whatever literature they prepare. Now, we will read a little bit from the confidential report of the society to its members, taken from the minutes under date of October 11, 1915:

Executive committee met Monday, October 4. Minutes and short program of work approved. Outlined to Mrs. Cornelius Vanderbilt plan for dinner conferences to get all leaders in preparedness together to agree upon essentials of a program for all parts of the country. Suggested Americanization dinners in cities to further this purpose.

I merely call attention to the beginning of propaganda for this measure. Here are a lot of distinguished people. I am not criticizing them. They have plenty of money and time and were doubtless impelled by a patriotic spirit to try to do something away back in 1915 for the poor illiterates; but the American soldier was not thought of then. He has crept into it here on this wave of patriotic enthusiasm that is going over the country.

Now note: When these people get on the Government pay roll at \$1 per annum they write all kinds of stuff and send it out under frank. Here, for instance, they state:

Seventy-five thousand posters urging night-school attendance and Americanization distributed over the country; 45,000 of these distributed to schools throughout the country by the Federal Bureau of Education at Washington; 50,000 post offices throughout the country authorized to post them; orders for posters received from 20 industries in different parts of the country, including Chicago stockyards; railroads that have ordered posters include New York, New Haven & Hartford, Chesapeake & Ohio, Philadelphia & Reading, Boston & Maine.

I just give you that item from the confidential report to show that they were sending out these things under the frank of the Bureau of Education. Now, think of four or five men and women on the nominal pay roll of the Government, at salaries varying from \$600 to \$2,500 a year, doing this immense amount of work! They do not do it. They have offices and suites in New York City where they are doing this very work, and duplicating the work that is being legitimately done under the Government of the United States without any expense whatsoever to the Government; and I am going to show that pretty soon.

But, now, we will see some other of these items that are being franked out. I assume that I am authorized to speak from this

record, because it is their confidential record.

Here is a meeting of October 18, 1915:

The first of a series of Americanization dinners was held at the home of Mr. and Mrs. Vincent Astor October 15. Twenty-four were present. Commissioner Claxton, of the Federal Bureau of Education; Dr. Finley, of the University of the State of New York;

* * * were present.

This record recites also the fact that they were sending out an immense amount of circulars from the Bureau of Education. Let me, just in passing, show you one of the circulars that they were getting out recently. Mr. President. Look at it. It was "Uncle Sam and the laboring man" then. It is "Uncle Sam and the soldier" in the bill that is pending now. This is one of the circulars, gotten out at an immense expense, probably through contributions made by private citizens, but sent out under the franking privilege of the Bureau of Education.

Mr. BORAH. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CHAMBERLAIN. I do.

Mr. BORAH. Is this a circular which is sent out by the Rockefeller Institution or some organization separate and apart from the Government?

Mr. CHAMBERIAIN. No; there are persons connected with this immigrants' committee who are doing it. It is the same organization that is urging this bill, under a different name. Their agents are employed in the Bureau of Education. These are doing the work; and through their employment by the Government, at \$1 a year each, this stuff is enabled to be franked.

Mr. BORAH. What I want to get at is this: The Senator says this stuff is enabled to be franked out in that way. Is it

proper stuff to go out?

Mr. CHAMBERLAIN. There is nothing inherently wrong

about it, except—— Mr. WILLIAMS. I will ask the Senator to tell us what is

written at the head of it.

Mr. CHAMBERLAIN. "America first. Learn English." It is in four or five different languages. "Attend night school."

Mr. BORAH. Well, that is good doctrine, no matter who sends it out.

institution; Isabel Malone, at a salary of \$600 a year, paid by Mr. CHAMBERLAIN. It is good doctrine. I said in the outthe same institution; all on the pay roll of the Government and set that it appeals to one because it is for the education of the illiterates; but my contention is that the same work is being done by another bureau of the Government, and done just as effectively, and practically without any expense. It is done by the Department of Labor, as I will show the Senator in a little while, and show what an immense amount of work they are The complaint I have to make of this is that we are transferring our educational system to an independent bureau or body.

Mr. BORAH. I do not know that I understand precisely the position of the Senator; but I take it from what he has said that the material they are sending out is not improper material.

Mr. CHAMBERLAIN. Oh, no; I do not claim that. What I am claiming is that they are coming here for a little appropriation that will not pay the expenses for five months of an efficient body; that their purpose is to come a year from now and possibly ask for \$10,000,000, and all to duplicate work that is already being performed. The Senator from Georgia says, "Oh, no." I am going to read from a statement that was published, dated at Atlantic City in February.

Mr. FALL. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from New Mexico?

Mr. CHAMBERLAIN. Yes; I yield.

Mr. FALL. I understand the Senator's point is that he is going to show that the Department of Labor is doing this same work, and doing it at little cost, and that he objects to the Bureau of Education doing this work, although it may do it at little cost, because some of the expenses are paid by individuals or by an independent association. What I want to ask the Senator is this: Why the objection to the Bureau of Education or the Commissioner of Education and his office receiving assistance from the outside when the Department of Labor avails itself constantly of civilian assistance from the outside in the performance of the very duties to which he is referring now? What is the difference? Why is the Department of Labor any more patriotic or sincere or honest than the Bureau of Education?

Mr. CHAMBERLAIN. I do not claim that it is any more honest; but I do claim, and very strenuously, that it is a duplication of the work that is being done, and has been done efficiently, and is being done without much expense. If the Senator will just wait a little, I will show him how the bill proposes

will just wait a little, I will show him how the bill proposes to duplicate work that is already being efficiently done.

Mr. FALL. I am perfectly willing to be shown; and if the Senator can show me that it is more proper, I am perfectly willing to vote for this bill with an amendment placing it under the Department of Labor rather than the Bureau of Education

Mr. PENROSE. Mr. President, will the Senator permit one interruption?

Mr. CHAMBERLAIN. Yes, sir.
Mr. PENROSE. The Senator has referred to duplication. want to call his attention to an instance of duplication which almost puts Mr. Hoover into the shade; and anyone who can overshadow that gentleman certainly is worthy of serious consideration.

Among the activities mentioned in the report which I hold in

my hand are the following:

I. Food the deciding factor; plan of the United States Food Admin-

tration.

II. Food-conservation measures.

III, IV. Wheat conservation.

V. Conservation of meat.

VI. Sugar and fats.

VII. VIII. Preserving food in the home.

IX. Fundamentals of an adequate diet.

X. General.

Mr. CHAMBERLAIN. That is from the report of the Bureau of Education?

Mr. PENROSE. This is an enumeration of some of their

special activities of a highly beneficial character.

Mr. CHAMBERLAIN. There is no doubt about that. Now, let me call attention to this circular. The precepts in the circular are all right. There is no question about that. It says:

Learn English. Attend night school. It means a better opportunity and a better home in America. It means a better job. It means a better chance for your children. It means a better America. Ask the nearest public school about classes. If there is none in your town write to the National Americanization Committee or to the United States Bureau of Education—

Linking the two together again. Now, those are not all of their activities, Mr. President, and I will say very frankly that if this were the only body doing this work I would vote very cheerfully to make an appropriation, but not on a false-pretense proposition that \$50,000 or \$100,000 would do any good. I would insist that we give them \$10,000,000 or more, in order to carry out the education that is sought to be accomplished by this bill. This is simply an opening wedge for a larger appropriation next

year. I venture to make this prophecy and prediction now, and I want Senators to bear it in mind: If this bill goes through, next year this association will come back here with the establishment of a bureau larger than any that this Government has ever had, invading the precincts of the States, the municipalities, and every other department of the Government, supplementing an educational system which the State has always maintained jealously in times past. Mr. PAGE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ore-

gon yield to the Senator from Vermont? Mr. CHAMBERLAIN. I do.

Mr. PAGE. The Senator makes his predictions as to what will take place next year. Have we not rules to control that matter if it comes up next year?

I, for one, have studied this bill with a good deal of care. I have seen nothing in all of my investigations that leads me to believe that there was any such purpose as the Senator suggests, and I do not believe there is. I think the Senator is without any substantial proof. He may predict, as anyone has a right to do, as to what may happen.

Mr. CHAMBERLAIN. Mr. President, the Senator knows by his experience in the Senate that, whenever you establish a

bureau, nothing short of dynamite will get it out.

Mr. PAGE. But you are establishing no bureau here. Mr. CHAMBERLAIN. Well, the Senator may think he is not. I insist that we are—that we are laying the foundations for an immense one.

Mr. PAGE. We may be laying foundations, but there is nothing in the bill that shows that and nothing that has come before our committee shows it.

Mr. CHAMBERLAIN. That is the reason why I say, with all deference to the Senator, that it is not honest on the face of it. I do not mean to impute dishonesty to the Senator from Vermont or to the distinguished Senator from Georgia, who has the bill in charge; but the men behind it have purposely withheld from the Senators their future purpose, and I am going to show what they intend to do by their own words.

Mr. PAGE. I hope the Senator will; but I also hope the

Senator will debate this bill upon its merits, and not upon the assumption that there is a future purpose to defraud, for I do not believe there is. My opinion may be against his opinion, but I wish he would show us some facts that tend to convince us that there is something wrong.

Mr. CHAMBERLAIN. I am going to try to show them.

Mr. THOMAS. Mr. President—
The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I yield.

Mr. THOMAS. Is the Senator aware that a bill is now pending in the Senate for the creation of a department of education, with a Cabinet officer at the head of it?

Mr. CHAMBERLAIN. Yes, Mr. President; I am. Now, here are some of the activities of this Americanization Society that fathers this bill, and these are from their own reports:

The educational extension work being outlined by the National Americanization Committee includes the following:

1. Civic lessons for pay envelopes or to be printed on the back of time

1. Civic lessons for pay enveloped cards, etc.
2. Posters to stimulate attendance at school and increase interest in

Posters to summate attendance at school and naturalization.
 Syllabus for night-school work.
 Civic lessons to be inserted in foreign-language newspapers.
 Guide to citizenship
 Training course for colleges.

Mind you, this institution that has for its purpose only the education of aliens and illiterates-the Senator from Pennsylvania very properly struck out the words "meager education"a part of its propaganda is a training course for colleges

Training teachers for immigrant education.

(a) Program for teachers' institutes.

Mind you, getting right down into the States, doing the work the States are doing and have been doing from time immemorial.

(b) Courses for normal colleges.

Getting still further into State business-

(c) Suggestions for teachers.

Can anybody tell me why the rights of the States should be invaded by this body?

Mr. President, in January, 1917, when the legislative, executive, and judicial appropriation bill was under consideration, it was sought to curb the activities of private persons and corporations in governmental affairs by an amendment as follows:

Provided, That no part of the appropriations made for the Bureau of Education, whether for salaries or expenses or any other purpose connected therewith, shall be used in connection with any money con-

tributed or tendered by the General Education Board or any corporate or other organization or individual in any way associated with it, either directly or indirectly, or contributed or tendered by any corporation or any individual other than such as may be contributed by State, county, or municipal agencies; nor shall the Bureau of Education receive any moneys for salaries or any other purpose for the General Education Board or any corporate or other organization or individual in any way associated with it, either directly or indirectly, or contributed or tendered by any corporation or individual other than such as may be contributed by State, county, or municipal agencies, except by act of Congress authorizing the same. Any person violating any or either of the terms of this proviso shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than \$1,000 or by imprisonment for not less than six months, or by both such fine and imprisonment, as the court may determine.

The purpose of that amendment was to limit and restrict the activities of the foreign bodies that were injecting themselves into the bureaus of the Government. That amendment was substantially agreed to, but in conference it was so emasculated as to render it almost harmless.

Let me show you what these people did when that amendment was first proposed in the Senate. It was read into the Record on the 26th of January, 1917, and immediately the Americanization committee got busy. They commenced to bombard their supporters in the field with the following telegram:

bard their supporters in the field with the following telegram:

United States Senate yesterday passed amendment to general appropriation bill which will eliminate Education Bureau's Americanization activities by abolishing collaborators by making no appropriation to carry on this work now financed by outside reganizations. Wire Senators Smoot, Brayan, and Overman, of conference committee, that if amendment is retained the pending Pomerene-Parker bill, appropriating \$50,000 for immigrant-education work, should be made part of general appropriation bill, otherwise bureau's whole America first and immigrant-education work will be lost. Hearing Tuesday, so get industrial leaders and hilanthropic organizations to wire. Rush Smoot and your own Senator and Representative.

(Signed) NATIONAL AMERICANIZATION COMMITTEE.

The efforts of the National Americanization Committee having failed of fruition at that time, they have continued and are still active as shown by the following telegram which has been received by me and other Senators within the past few days:

Secretary Lane has announced broad Americanization plan. Council of National Defense has approved Bureau of Education's program for same. Does Calder bill, S. 2854, now Unanimous Consent Calendar, m'x plans and duplicate work contemplated and rightfully in Bureau of Education plan if passed?

(Signed) W. C. SMITH, Chairman Legislative Committee of National Committee of One Hundred, America First.

I do not know what purpose this telegram has in it, but it seems to be an attack upon the Bureau of Naturalization and the intention to amend the naturalization laws as contemplated by this bill, S. 2854.

There are other activities of this legislative committee in which they have gratuitously undertaken to assault one of the established activities of the Government which is being carried on in full conformity with the law and in a most admirable way. I do not care to dignify this assault by referring at the present time any more directly to it. I can only say that the writer o' the telegram who signs himself as "Chairman of the Legislative Committee of the National Committee of 100," is undoubtedly speaking with authority. Commissioner Claxton organized the Committee of One Hundred doubtless at the instance of these private sources or organizations for whom the bureau seems to be working and in whose interests he seems to be serving the Government. When he organized them and outlined their plan, the committee, his creature, is undoubtedly carrying out the instructions of their director.

They were not only active then but they are active now, and I have understood that this same association has been instrumental in getting some of the authorities of the Government to invite the governors of several States here in conference to-day to undertake to get them behind this bill. I understand so; I do not know anything about it. I simply understand that they have been invited here, possibly by the Secretary of the Interior, and the purpose of the visit is to get their support of this bill.

Mr. SMITH of Georgia. If the Senator will yield-

Mr. CHAMBERLAIN. Certainly. Mr. SMITH of Georgia. As I understand the position of these men, it is to get behind the work in their own States with their State agencies that this bill will seek to encourage and direct, and I think it is a splendid measure.

Mr. CHAMBERLAIN. But, Mr. President, the Naturalization Bureau, under the Department of Labor, is already an established agency engaged in this work now. And this bureau is working in cooperation with the States. Then, too, the

States are operating alone and in their own way with regard

to put illiteracy out of commission by 1920, and that the people of that Commonwealth are making splendid progress. What can the Government of the United States do with its \$50,000 or with \$100,000 to assist the work in all the States?

Mr. President, this bill is simply an entering wedge to get very much larger appropriations in the very near future.

I received the telegram last quoted a few days ago and I assume every Senator here received one like it. I replied to it as follows:

WASHINGTON, D. C., April 2, 1918.

W. C. SMITH,
Chairman, Legislative Committee of National
Committee of One Hundred, America First, New York City. Answering your night letter of March 29. Bill mentioned is necessary for carrying on of authorized work of Bureau of Naturalization, and does not interfere with any other Government agency, George E. Chamberlain.

Of course not; the Calder bill is a sane and sensible measure and simply supplements the work of the Bureau of Naturalization.

Mr. President, Mr. Claxton, you will find, has extended his activities into this realm as he has extended them into almost every realm, interfering with State policies and State politics, so far as education is concerned. You will find him present at all the meetings of the Americanization Association giving his advice. He is not so active in giving his advice to the established authority in the Department of Labor, which I am going to address myself to in a few minutes to show that it is doing most effective and efficient work without interfering with any of the State authorities or any municipality. That would not extend the jurisdiction of the Commissioner of Education, and that is what he wants.

Note, Mr. President, an extract from the minutes of the session of the national publicity campaign for Americanization called by Hon. P. P. Claxton, Commissioner of Education, at the Hotel McAlpin, New York City, July 4, 1916:

Commissioner Claxton outlined the plan and facilities of the Bureau of Education for assisting in this publicity campaign to get behind the bill.

A little later on the minutes recite:

Superintendent Cody, seconded by Superintendent Garber, moved that the Division of Immigrant Education of the Bureau of Education act as secretary of the committee until the committee can select its own secretary.

Then here is the legislative proposition; here is a prediction for this bill:

Upon a motion of Superintendent Cody and seconded by Superintendent Garber, Mr. W. C. Smith—

That is the same Smith whose telegram I read a while agoof Troy, was appointed chairman of a committee, with power to select other members, whose duty it should be to prepare a bill to be introduced in Congress carrying an appropriation for the work of the Division of Immigrant Education.

There you have it. They prepared the bill under consideration, and they caused it to be introduced. They camouflaged or sought to camouflage the American people by putting a mere pittance in it, expecting to come back and ask for a larger sum later, in order to establish an immense institution or bureau.

The Senator from Vermont [Mr. Page] wanted to know if we had any evidence of what these people were doing or that they were going to attempt any such thing as I suggested in the way of larger appropriations. Let us see. On the 27th day of February they had a meeting at Atlantic City, and here is the report of that meeting:

Educators want \$10,000,000 to push Americanization-

There you have it-

Common language in industry a vital need and Federal aid is wanted. Would save many lives.

Great educational convention a clearing house for superintendents. Class system criticized.

Western man warns against kaiserization of education. Keep children

at school.

There was a voice crying in the wilderness. Here is an undertaking not only to kaiserize the public-school system of America but to take it out of the hands of the States and centralize

it in the power and in the hands of Mr. Claxton. Mr. SMITH of Georgia. Mr. President

Mr. CHAMBERLAIN. Let me read this into the Record. I have only read the headlines. Here is the substance of it:

ATLANTIC CITY, February 27.

Federal aid in the Americanization of aliens, and particularly of those from enemy countries, will come as one of the fruits of the greatest educational conventions America has known. Founded upon facts revealed this afternoon in a conference on legislation—

Legislation again-

to illiteracy.

Take the State of Kentucky, Mr. President. I am sorry the Senators from that State are not here, but I understand that the State of Kentucky has gone to work and has organized but the State of Kentucky has gone but the State of Kentucky has gone but the State o

There you have it. Now, the small appropriation carried by the pending bill does not amount to anything. It would not get them anywhere. It would not pay the salaries of the people who are now issuing the few hundred thousand posters they are getting out every year.

I am going to ask to have printed in the RECORD, without reading, for I do not want to take up any more time than is necessahy, the recent activities of the Division of Immigrant Education. This comes out of the Bureau of Education. It is not mine at all. It shows their activities and shows that the amount appropriated in this bill would not get anywhere toward doing the work. I ask that it may be printed.

The PRESIDENT pro tempore. Without objection, if is so

ordered.

The matter referred to is as follows:

DEPARTMENT OF THE INTERIOR, DUREAU OF EDUCATION, WASHINGTON.

RECENT ACTIVITIES OF THE DIVISION OF IMMIGRANT EDUCATION.

The Division of Immigrant Education pursues activities which may be classified as follows:

"Surveys, field investigations, and research to ascertain conditions, facilities, and needs in order to establish the basis for constructive National, State, and local work.

"Publicity through news letters, circular letters, bulletins, articles in the daily and periodical press, exhibits, special reports, and by lectures and addresses

and addresses

and addresses
"Organization of cooperation among public and private agencies by serving as a clearing house, by projecting plans of work, and by developing organized facilities upon request.
"Counsel, given through conferences, committee meetings, personal interviews, and correspondence."

interviews, and correspondence."

SURVEYS AND FIELD INVESTIGATIONS.

At the request of the Wilmington (Del.) Committee on Americanization, a survey of Wilmington was made to assist in the establishment of night schools for immigrants. Such schools were subsequently established. During the month of August the assistant specialist made a survey of the immigrant sections and of the evening-school facilities for immigrants in San Francisco. An official of the Pennsylvania Department of Labor and Industry also surveyed several communities in Pennsylvania in cooperation with the division.

A questionnaire was sent to industrial establishments asking for a statement of educational work, "safety-first" training, and other welfare activities for the benefit of non-English-speaking employees, Studies of the educational methods employed were made in many plants.

From the returns a report was prepared setting forth the work of many plants.

RESEARCH.

The division prepared and published a "List of Cities of 5,000 Population and Over. Having a Foreign-born White Population of 1,000 or More and no Evening Schools," "Citizenship of Foreign-born White Males of Voting Age in Each County of Pennsylvania With More Than 10 per cent of the Population Foreign Born," "Immigration to the United States from 1820 to 1915." (a chart), "State Constitutional Provisions Affecting Legislative Responsibility for Establishment of Evening Schools and Ages of Pupils Concerned" (a digest), "Educational Rank of Connecticut, Illinois, Massachusetts, Michigan, Missouri, New Jersey, New York, Pennsylvania, Rhode Island." (adapted pamphlet issued by the Russell Sage Foundation). The division prepared a list of "Textbooks for Foreigners Learning English."

To present the problem of Americanization the division prepared standard exhibit charts, diagrams, slides, and photographs, showing for the United States as a whole and for selected States: Inability to Speak English. Illiteracy, School Attendance, and Factory Classes. A questionnaire on immigration education was sent out to superintendents of schools and the information gatheted from the replies presented in the first bulletin issued by the division under the title "Public Facilities for Educating the Allen." Previous to this survey the specialist in immigrant education bad prepared an elaborate article entitled "Survey of Adult Immigrant Education." for the Immigrants in America Review. He also contributed a chapter on "Recent Progress in the Education of Immigrants" to the Report of the United States Commissioner of Education, 1914, and a chapter on "Education of the Immigrant" to the report for 1916. To the first Annual Report of the Pennsylvania D-partment of Labor and Industry the specialist contributed a chapter of 64 pages (Ch. II) on "Immigration and Unemployment."

FORMULATION OF PLANS AND PROGRAMS.

FORMULATION OF PLANS AND PROGRAMS.

FORMULATION OF PLANS AND PROGRAMS.

Many new and constructive ideas developed by the staff of the division were formulated and published in circular letters bearing the following titles: No. 3, "Suggestions to Principals and Teachers"; No. 5, "Training for Americanization Service"; No. 7, America First Campaign, "How to Advertise Night Schools"; No. 8, ditto, "How State Departments of Education Can Help"; No. 9, ditto, "How State Departments of Education Can Help"; No. 9, ditto, "How Chambers of Commerce Can Cooperate"; No. 10, ditto, "What Women's Organizations Can Do"; No. 11, ditto, "How thougante an Evening School for Immigrants"; No. 12, ditto, "How Industries can Cooperate"; No. 13, ditto, "How Eibraries Can Help"; No. 15, ditto, "How Eibraries Can Help"; No. 15, ditto, "How Foreign-language Newspapers Can Cooperate"; No. 15, ditto, "How Labor Unions Can Cooperate"; No. 17, ditto, "How Sectarian Organizations Can Cooperate"; No. 18, ditto, "How Patriotic Societies Can Cooperate"; No. 19, ditto, "How Religious Organizations for Women Can Cooperate"; and No. 20, ditto, "A Call to National Service."

The specialist in charge of this division has prepared a schedule of "Standards and methods in the education of immigrants," which will in the future, as further elaborated, form the basis for the program of work of this division. One part of this has so far been made available for distribution.

PUBLICITY.

Over 250,000 circulars, news letters, news releases, and publications have been sent during the year to school superintendents, principals, and teachers; to college and university presidents; to women's clubs and women's organizations and agencies; to patriotic organizations;

to organizations of foreign-born men and women; to educational associations; to postmasters; and to English and foreign-language newspapers. Fifteen articles and papers were prepared by the specialist and the members of his staff and published in such publications as the Annals of the American Academy of Political and Social Science, the American Leader (organ of the American Association of Foreign-Language Newspapers), the Bulletin of the National Association of Patriotic Instructors, Immigrants in America Review, the Immigration Journal, the Journals of the State Teachers' Federation of Kansas and New York, the Baltimore Labor Leader, and the Bulletin of the New Jersey State Department of Education.

To stimulate the school attendance of adult immigrants over 100,000 "America First" posters, printed in English and seven prevalent foreign languages, were distributed in large numbers to superintendents of schools, industries, postmasters, miscellaneous organizations, and individuals.

dividuals.

The exhibit charts and publications of the division were shown in the following places: The National Conference on Immigration and Americanization at Philadelphia in January, 1916; the annual meeting of the Chamber of Commerce of the United States at Washington in February, 1916; the Life Conservation Exhibit of the United States Government at the National Museum. Washington, in February, 1916; the National Conference of Catholic Charities at the National Catholic University of America, Washington, in September, 1916; the conference of the Illinois Valley Teachers' Association at Mollne and also at La Salle, Ill., in October, 1916; the annual meeting of the National Education Association at New York City in July, 1916.

ORGANIZATION AND COPPERATION.

ORGANIZATION AND COOPERATION.

ORGANIZATION AND COOPERATION.

The division has cooperated with many private organizations by formulating programs of work and by making suggestions. Special assistance was rendered to over 25 chambers of commerce, over 260 industrial establishments, over 20 educational associations, over 50 religious and philanthropic associations, and to a large number of miscellaneous societies.

The division is now conducting a nation-wide "America first" campaign in cooperation with the Committee of One Hundred appointed by the United States Commissioner of Education. The specialist in charge of the division is the chairman of the executive committee and in charge of the publicity campaign. The object of the campaign is to aid schools, at their request, in reaching the 3,000,000 non-English-speaking immigrants.

COUNSEL UPON PRACTICAL METHODS.

This division has given and received counsel by participation in conferences, committee meetings, personal interviews, and correspondence with officers and representatives of teachers' associations, business women's associations, State departments of education, associations of commerce, social workers, women's clubs, college and university presidents and 'aculties, and numerous individuals. Members of the staff have addressed over 75 meetings during the past year. While engaged in giving information, they are also seeking light upon every phase of Americanization. It is a fundamental aim of the division to be of national service in dealing with the complex problem of immigration and to cooperate with every possible agency in effecting its solution. (Division of Immigrant Education Circular No. 21, Jan. 17, 1917.)

Mr. CHAMBERLAIN. Note the headlines, I beg the Senators, which I repeat in order to show the impossibility of doing any of the work proposed with so small an appropriation.

The Division of Immigrant Education pursues activities which may be classified as follows:
Surveys, field investigations, and research to ascertain conditions, facilities, and needs, in order to establish the basis for constructive National, State, and local work.

Publicity through news letters, circular letters, bulletins, articles in the daily and periodical press, exhibits, special reports, and by lectures and addresses.

Again:

Organization of cooperation among public and private agencies, by serving as a clearing house, by projecting plans of work, and by developing organized facilities upon request.

Again:

Counsel given through conferences, committee meetings, personal interviews, and correspondence.

Those are the headlines of the activities of this body under the Bureau of Education, and when you come to a detailed statement of each of these headings there is not any organization in the United States that is big enough to handle it.

Mr. PENROSE. I should like to ask the Senator whether he is through enumerating the activities of the bureau?

Mr. CHAMBERLAIN. All I care to enumerate, but if the

Senator has something in that line-

Mr. PENROSE. I know the Senator will be very much interested in knowing that after teaching agriculture and food conservation and social hygiene and a vast multitude of other matters, the bureau in its report for 1917 requests authorization to have control of 4,000 reindeer in Alaska, so that they may look to their better distribution.

Mr. CHAMBERLAIN. I think, if the Senator really wants the activities of the Bureau of Education he could not get it in as small a space as he has there. I will say to the Senator that their activities extend over every field of American life.

Mr. PENROSE. I can picture the pedagogue in the frozen fields of Alaska herding reindeer.

Mr. CHAMBERLAIN. I am not going into that further, but I am going just as deeply as I can to show that there is not any necessity for this bill. Mr. DILLINGHAM.

Mr. DILLINGHAM. Will the Senator allow me? Mr. CHAMBERLAIN. Certainly.

Mr. DILLINGHAM. While the Senator is beginning that subject, I should like to call his attention to a statement made upon the floor this morning by the Senator in charge of the bill, which, if I understood him correctly, was that there are 700,000 drafted men of the United States who are illiterates. I should like to ask the Senator how many men have been drawn under the selective draft, as he is the chairman of the Committee on Military Affairs?

Mr. CHAMBERLAIN. How many altogether?

Mr. DILLINGHAM. Altogether.

Mr. THOMAS. There are 700,000 subject to the draft, Mr. SMITH of Georgia. Within the draft age.

Mr. DILLINGHAM. Seven hundred thousand in the United States of the draft age, you say?

Mr. THOMAS. Yes.

Mr. DILLINGHAM. Who are illiterate?

Mr. THOMAS. Who can not speak or read the English

Mr. SMITH of Georgia. Who can not read or write.

Mr. THOMAS. Of course a greater number than that were

actually drafted.

Mr. SMITH of Georgia. I have here the report of the Secretary of the Interior upon which the statement was based. He says that there are now nearly 700,000 men of draft age in the United States who are illiterate and who can not read or write in English or any other language.

Mr. DILLINGHAM. Of the draft age? Mr. SMITH of Georgia. Of the draft age.

Mr. DILLINGHAM. What is the number in the United States of the draft age?

Mr. CHAMBERLAIN. About ten million. Mr. DILLINGHAM. About ten million.

Mr. PENROSE. I assume that these illiterates are largely foreigners

Mr. CHAMBERLAIN. Nearly altogether so.

Mr. PENROSE. Practically altogether so. There is nothing extraordinary in the fact that there are 700,000 illiterates of

foreign birth.

Mr. DILLINGHAM. Mr. President, I was surprised at the statement of fact; but taking the statistics of the last census I find that of the males of voting age there were only 8.4 per cent illiterate. Of course, they must be 21 years of age, and this classification includes all above that age. negro race there were only 30.4 per cent; of those of foreign birth, only 12.7 per cent; and of the children of foreign and mixed marriages, only 1.10 per cent who are illiterate. It seems to me there must be some grave error in the statement which was made here regarding the proportion of the men of the draft age in the United States who are illiterate, and it seems to me a very unfortunate thing that any false impression should go out to the country regarding the character of the men who constitute our Army.

Mr. SMITH of Georgia. Mr. President—
The PRESIDING OFFICER (Mr. Gallinger in the chair). Does the Senator from Oregon yield to the Senator from Georgia?

Mr. CHAMBERLAIN. I yield. Mr. SMITH of Georgia. I desire to read a little further from the statement of Secretary Lane. He says:

There are 700,000 men who can not read or write who may be drafted within our Army within the next year or two.

Then I will read the balance of the figures which are given upon this subject by the Secretary:

There are in the United States (or were when the census was taken in 1910) 5,516,163 persons over 10 years of age who were unable to read or write in any language. There are now nearly 700,000 men of draft age in the United States who are, I presume, registered, who can not read or write in English or in any other language. Over 4,600,000 of the illiterates in this country were 20 years of age or

Mr. LEWIS. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Illinois?

Mr. CHAMBERLAIN. I do.
Mr. LEWIS. May I be allowed to attract the attention of
the Senator from Vermont [Mr. Dillingham] and also of the
Senator from Georgia [Mr. Smith]? I am satisfied that there
has been a great error which has crept into the assertion of the Secretary of the Interior, the consequence of which he would not wish to be responsible for. It is equivalent to an allegation that we are about to put into our Army a vast number of menthe Senator from Georgia says 700,000?

Mr. SMITH of Georgia. Seven hundred thousand.

Mr. LEWIS. Seven hundred thousand human beings who have not enough intelligence to know what they are doing, why they are summoned, or for what they are fighting.

It also intimates that our country's system of education in our different States must have been so deficient as to have left us this relic of such a vast sum of human beings who are alleged to be illiterate. May I assume that there has been misappre-hension; that the word "illiterate" in that sense was meant merely to convey that in the English language they were not learned? May I assume that the foreigners to whom the Senator from Pennsylvania [Mr. Penrose] has made allusion, may still be people of information upon general subjects, but happen not to have had an English learning, and are illiterate only in the sense that they are not scholars in the English language?

Mr. PENROSE. Will the Senator from Illinois permit a sug-

gestion?

Mr. LEWIS. Yes; certainly.

Mr. PENROSE. Perhaps many of these men suffer from what has been called a "meager education," but the figures undoubtedly have been grossly exaggerated to bolster up this fraudulent bill.

Mr. LEWIS. Mr. President, of course I can not enter-

Mr. PENROSE. I do not mean to make any reflection upon the Committee on Education and Labor, of which I am a member-although I did not attend the meeting of the committee that reported this bill-or upon the Senator having the bill in charge, but I am convinced that the Superintendent of Education needs careful watching.

Mr. LEWIS. I have only to conclude with this statement: I do not know whence these figures came; of course, I could not know what the inference, but I must, from my general knowledge of my country, from the appreciation we all have of our institutions, deny that there can exist in the United States of America to-day, under our system, 700,000 men capable of bearing arms for the country who are illiterate and ignorant.

Mr. PENROSE. Mr. President, the Senator from Illinois is

entirely right. They are not there.

Mr. CHAMBERLAIN. Mr. President, I have asked the Provost Marshal General and the Commissioner of Education regarding the matter, and I am trying to find out if either can give the information that is asked for, which I will insert in my remarks. Let me say this for the foreign-born illiterates who are in the United States Army: I was talking to a young colonel in the Army some months ago, who was being sent out to Chicago to train a regiment of foreigners. He told me that it almost broke his heart when he was instructed to go there and train those foreigners, because it had been his hope that he would have a distinctively American force in his command; but I saw him some time afterwards, when he told me he was perfectly charmed with the result of his effort to train those men, He said there were hardly any of them who could speak English when he assumed command, but that they immediately organized night schools in the cantonment, and the men promptly learned enough of the English language to obey every command of every officer who spoke English.

Not only that, but they showed their patriotic spirit when an announcement was read out at the head of the column to these young men-foreigners all them, Czechs, Poles, and men of every neutral nation represented around Chicago, where they came from—when this announcement was read out to them about the sale of liberty bonds they raised \$80,000 in subscriptions to those bonds. So the taking in of these illiterates among our American troops is not a disadvantage to them, even in cases where they can not read or write. It will teach them to read and write. The fact that a man can not write does not in the least make him a poor soldier, for such a man is frequently the most gallant soldier in the world. He is not afraid to die for his country. Illustrations innumerable might be cited from

the pages of history to sustain these propositions.

But now, Mr. President, getting down to the statement that this is simply a duplication of work, transferring it to a body that can not do it as well as it is now being done, I desire to call the attention of the Senate to the fact that the public schools of the United States, in conjunction with the Bureau of Naturalization of the Department of Labor, have this work in hand. In April, 1914, after years of contact with the public schools, this bureau undertook to cooperate with them as to the education of illiterates.

A plan was proposed by the Bureau of Naturalization for linking together the public schools throughout the United States with the Federal Government.

I have found, Mr. President, in studying the work of this bureau that, without any additional appropriations from Congress, while carrying on its regular work the Bureau of Naturalization has been working in direct cooperation with the public schools during the last four years. At the present time in 1,797 cities, towns, and small communities, extending clear into the mining camps, the public schools of the United States have organized with the Bureau of Naturalization in teaching the candidate for citizenship the things he should know as an American citizen.

Mr. HARDWICK. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Georgia?

Mr. CHAMBERLAIN. I do.

Mr. HARDWICK. I merely want to suggest to the Senator, in connection with this subject, that the Bureau of Naturalization and also one of the intelligence bureaus of the War Department are trying to do this identical work for the foreign-born soldiers to-day.

Mr. CHAMBERLAIN. There is no doubt about that.

Mr. HARDWICK. And their representatives were in to see me this morning, as chairman of the Immigration Committee, insisting that certain additional facilities be afforded to do the

Mr. CHAMBERLAIN. I think so. That is what I am calling attention to. There is a sleeper in the bill that is now before the Senate which provides that, before the Bureau of Education touches the patriotic side of this question-the illiterate soldiers and sailors-it must have the consent of the Secretary of War and the Secretary of the Navy. That is a little more camouflage. The bill was not intended for the soldiers of the Republic who are illiterate. Behind it is an alleged benevolent organization that intends only to supplant existing systems of schools and to coordinate industrial life with the system it has in view. Let our public schools do the work that the framers of our State governments intended they should do and that has been recognized from the earliest days of the Republic that they should do. Any attempts to interfere with them, whether made by Mr. Claxton or any other body of men outside of the jurisdiction of the several States, will result in dislocating the public-school system of the country.

Now, to show you what the Bureau of Naturalization has been trying to do, I will state that in July, 1916, hey held a convention here in the city which was attended by educators from all over the country. Superintendents of public schools of all the States were here. I remember very distinctly meeting Superintendent Alderman, a very distinguished educator of my State. There were men here from New England, from the border States, from the whole country clear down to Mexico. At this convention the work of the public schools, in cooperation with the Bureau of Naturalization, was fully discussed. The public schools had furnished the Bureau of Naturalization with the material for the preparation of a textbook for the purpose of developing a standard course in citizenship instruction.

The Commissioner of Education and the members of his bureau attended that convention. Why did he not cooperate with the system that was then in vogue and is now in vogue instead of trying to sidetrack it and go to another proposition and confuse the existing system? They fully discussed with the publicschool officials and officials of the Bureau of Naturalization the textbook matter submitted by the public schools to the Bureau of Naturalization. This textbook, therefore, has been completed

and is awaiting its publication to be distributed to the candidates for citizenship.

Mr. President, 438,000 foreigners applied for first citizenship papers last year. The Burein of Naturalization has worked out a system, based upon the law, which gives it charge of all matters relating to the naturalization of aliens. Under this authority it has united the courts and the public schools with the bureau for the purpose of making it possible for candidates for naturalization to prepare themselves for the responsibilities of American citizenship. The Bureau of Naturalization received the names last year of approximately a million and a quarter foreigners. It has endeavored to induce these foreigners to attend the citizenship classes which the bureau has prevailed upon the public schools in nearly 1,800 cities and small communities to provide for them. All of this work has been carried on for four years without any additional appropriation for that purpose; yet, Mr. President, we are met here with a proposition for an appropriation of \$100,000, and we will be met by appeals to Congress hereafter for millions of dollars to do the work which is being done now by appropriations which are made simply for the carrying on of the ordinary business of the Department of Labor.

It seems to me that the experience which has been gained by this branch of the Government should not be overlooked in considering a measure of this kind. It has in four years attained practical results which can later be made the foundation for any further and wider scope of effort in cooperation with the

public schools of the United States.

I desire to submit here the names of the cities and towns by States, together with their population in 1910, as well as their foreign population and the number of foreigners in those places who declared their intention to become citizens from July 1, 1910, to July 30, 1917, showing that this work is not local but is general; it covers the whole United States. A system has been worked out which has not only proven advantageous in the last five or six years but will prove more so, provided we do not dynamite it with a bill that destroys the work which the Bureau of Naturalization has undertaken in cooperation with the courts and the public-school systems of the country.

Mr. President, I will explain to the Senate what is meant by cooperation with the courts. The court holds the application for citizenship up until the alien goes to a school—some night school, perhaps, connected with the public schools-and tries to qualify himself for the duties of citizenship, with the result that these men are absolutely prepared for citizenship before their

final papers are issued.

Mr. President, I ask that there be printed in the RECORD, as a part of my remarks, without reading, the data or statistics to which I called attention a few moments ago, so that the Senate may see at a glance to-morrow morning just what the States are doing and what cities and towns all over the United States are participating in this work in conjunction with the commonschool systems and in conjunction with the courts for the purpose of teaching these people the duties of citizenship.

The PRESIDING OFFICER. Without objection, the order is made.

The matter referred to is as follows:

[Figures not av	ailable wher	e blanks occi	ır.]			MI SULL			
State andty or town.	Populati	on, 1910.	Foreign-born white males of voting age, 1910.		Naturalization papers filed in county July 1, 1916, to June 30, 1917.		Nan	shed.	
	Total.	Foreign- born white,	Total.	Natural- ized.	Decla- rations.	Peti- tions,	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
Alabama: Birmingham (includes activities at East Lake, Ensley, Fairfield, Gate City, Pract City, and Warrier) Bessemer.	132, 685 10, 864	5, 700 341	2,944 196	1,179 94	523	125	60	13	4
Arizona: Bisbee. Blue Bell Mine.	9,019	3,474	2,023	558	145 70	130	42	50	33
Douglas (includes activities at Pirtleville)	6, 437	2,250	919	186	35	19	13	23 6	17 4
California: Alameda Berkeley (includes activities at Albany) Emeryville	23, 383 40, 434 2, 613	5,555 7,653 636	2,842 3,627 374	1,720 2,696 224				38 43	38 51
Colma	3,540	604	348	79	39	25	16		
Eureka (includes activities at Elk River, Fairhaven, Freshwater, Ryans Slough, and Samoa) Fresno	11,845 24,892	3,600 5,445	2,228 2,487	1,076 1,006	161 351	49 133	8 22	9 36	34

State and city or town.	Populati	ion, 1910.	white i	m-born males of age, 1910.	nanore	lization filed in July 1, June 30, 17.	Nan	nes furni	ished.
	Total.	Foreign- born white,	Total.	Natural- ized,	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
alifornia—Continued.	2, 437		aren u						S M
Gilroy. Hollister. Long Beach (includes activities at Alimitos Bay, Seal Beach, and Wil-	2,308				25	9	2	2	
Los Angeles (includes activities at Hollywood and Huntington Park)	17,809 319,198	1,942 60,584	901 29,576	470 14,007	2,814	1,163	9 383	2 343	32
Alhambra. Manhattan Mountain View	5,021	983	585	174					
Oakland	1, 161 150, 174	38, 822	19,334	10, 237 279	1,124	130	241	243	25
San Leandro. Ontario (includes activities at Alta Loma, Chino, Cucamonga, Etiwanda, Guasti, and Upland).	3,471	1, 108	559 283		94	*********		1	•••••
Otherst, and Opland). Ownerd Passilana (includes activities at La Manda)	4,274 2,555 30,291	618 4, 297	334 1,772	155 108 1, 101	38	58 15	23	1 17	_i
Oxnard Passdena (includes activities at La Manda) Playa del Rey. Pomona (includes activities at Claremont, Lordsburg, San Dimas, and	00,201						1		no la
Walling I.	10, 207 10, 440	1,343	438 649	219 372			2	2	
Redlands Redondo Beach (includes activities at Hermosa Beach, Manhattan Beach, and Perry).	2,935	433	282	116					
and Perry). Redwood City Riverside.	2,442 15,212	2,166	1,035	454			2 3	3 5	
Sacramento. San Diego (includes activities at Chula Vista, Coronado, East San Diego,	44,696	8, 885	5,331	2,424	416	178	53	84	4
Sacramento San Diego (includes activities at Chula Vista, Coronado, East San Diego, and National City) San Francisco (includes activities at Daly City) San Jose (includes activities at Berryessa, Edenvale, Hester, Milpitas, and Sunol)	39,578 416,912	7,355 130,874	3, 845 75, 768	2,057 35,375	316 5, 280	164 2,383	1,942	206 1, 104	10 89
	28,946	5, 817	2,983	1,637	367	126	22	25	1
Santa Clara. San Mateo. San Pedro.	4,348 4,384	1,135 1,031	597 538	287 333	238	103	7	15	i
San Rafael Santa Ana	5, 934 8, 429	1,747 884	932 408	466 246	95 53	39 41	1	9 2	
Santa Barbara. Santa Monica (includes activities at Sawtelle. The Palms, and Soldiers)	11,659	1,793	877	417	157	57	20	12	1
Home) Santa Rosa South Pasadena	7,847 7,817	1,248 1,318	576 667	263 376	198	89	4	6	
South Pasadena. South San Francisco	4,649 1,989	558	264	149					
Stockton Venice	23, 253	4,478	2,679	1,074	244	79	36	25 7	2
Westwood. Wiseburn					28	12		1	
elorado: Bowie									
Broomfield Central City (includes activities at Black Hawk, Nevada, Russell Gulch,									
and Tolland). Colorado Springs. Cripple Creek Delta.	1,782 29,078 6,206	2,981 849	1,434	748 387	81 87	37 24			
Delta. Denver	2,388 213,381	38,941	19, 204	10,959	27 10 841	9 353			12
Fort Collins	8, 210 265	893	373	156	40	35	65 108	122	12
Frederick. Gorham (includes activities at Marshall and Monarch). Grand Junetica.		724	405	196	33	10	23 1	1	
Graeley (includes activities at Evans, Kersey, La Salle, and Lucerne) Hastings	7,754 8,179 693	691	357	172	124	68	9	5	******
Leadville. Louisville (includes activities at Monarch No. 2 and Sunnyside Mine)	7,508 1,706	2, 232	1,253	880	105 35	46 20	12	24	1
Pueblo	222 41,395	8,331	4,777	1,773	224	90	34	25	
Rocky Ford Salida	3, 230 4, 425	145 499	68 256	44 159	16 45	23 11			
Somerset. Sterling (includes activities at Atwood, Crook, Graylin, Heff, Merino, Pad-	527				11	11	••••••		
roni, and Willard). Superior.	3,044	418	185	45	33	26	1 25	3	
Superior. Telluride (includes activities at Liberty Bell, Mine Smuggler, Smuggler Mill, Smuggler Mine, and Tomboy Mine) Trinidad.	1,756	1 000			42	16	4	1	
nnecticut: Ansonia.	10, 204	1,293	654	388	149	39			
Avon. Bridgeport (includes activities at Long Hill, Nichols, Strentsfield, Ad	1,337	5,711	2,926	1,131			23	14	1
Trumbull)	102,054	36, 180 1, 653	17, 114 768	6, 563 261	2,456	602	212	137	17
Stratford. Bristol (includes activities at East Bristol, Forestville, and Terryville).	6, 134 5, 712 13, 502	1,199	545 1,985	287 695			15	9	
Chester Danbury	1,419 23,502	5,526	2,687	1,243			5 21	4 9	1
Bethel. Elmwood	3,792	502	248	161			2		
West Hartford	4,808 9,719	1,319 3,787	560 1,609	254 479					
Greenwich. Hartford.	16, 463 98, 915	5, 080 31, 243	2,301 13,975	6, 294	3, 134	682	15 212	16 115	15
East Hartford. Wethersfield.	8, 138 3, 148	1,487	686 431	348 145.					
Huntington. Manchester.	6,545 13,641 32,066	1,758 5,006 9,390	788 2,126 4,346	1,073			1	22 12	1
Meriden	02,000		7, 540	2,308	*********		18		1
Meriden Middletown (includes activities at South Farms). Nangatuck (includes activities at Beacon Falls).	20,749 12,722	6,398 4,283 18,015	2,804 2,075	1,025	228	58	9	11 3	

State and city or town.	Populati	ion, 1910.	white	m-born males of age, 1910.	papers county 1916, to	dization filed in July 1, June 30, 17.	Nar	nes furni	shed.
	Total.	Foreign- born white.	Total.	Natural- ized,	Decla- rations.	Peti- tions,	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
Connecticut—Continued. New Haven. New London (includes activities at Mystic). Groton. Montville. Waterford.	6, 495 2, 804 3, 097	42, 784 4, 561 908 731 571	19, 194 1, 993 416 306 390	8,628 701 151 94 88		829	192 23	94 18	111 2
Norwalk Norwich (includes activities at Norwichtown, Tattville, and Yantic) Poquonock. Rainbow.		5, 686 8, 405	2,473 3,558	978 1, 456	605	154	13	11	1
Putnam. Rockville (includes activities at Tolland). Southington (includes activities at Cheshire). Plainville.	7, 280 7, 977 6, 516 2, 882	1,780 2,764 1,724 528	1,238 855 264	284 686 239 119		85 42	20 2 1	6 5 1	2
South Manchester. South Norwalk (includes activities at East Norwalk and Rowayton) Westport.	8,968 4,259	1,057	482	180			15	11 11	i
Westport. Wilton. Stamford Darien Suffield. Thompson.	1,706 28,836 3,946 3,841 4,804	8, 872 947 874 1, 871	3,976 506 467 789	1,486 213 107			35	19 3 5	2
Thompson. Thompsonville. Torrington (includes activities at Burrville, Torringford, and West Torrington)	16,840	6,064	3,003	1,198	439	74	21	23	
rington). Vernon (includes activities at Ellington, Talcottville, and Vernon Center, but not those for Rockville). Stafford Springs. Wallingford. Waterbury (includes activities at Middlebury, Prospect, and Wolcott) Waterbury. Westport. Westport. Windsor (includes activities at Wilson). istrict of Columbia:	1,110 3,059 11,155 73,141 3,850 4,259 4,178	291 1,111 3,302 25,498 974 1,057 786	124 491 1,570 12,463 328 482 379	68 161 563 4,662 109			1 12 161	1 17 57 2	2 10
Washington (includes activities at Hyattsville, Mount Rainier, and Rockville, Md., and Rosslyn, Va.) Alexandria, Va.	331, 069 15, 329	24,351 320	11, 738 179	6, 474 86	726	340	97	77	8
Jacksonvilleeorgia:	57,699	2,488	1,308	587	201	67	7	19	1
Atlantalaho:	154,839	4, 410	2,287	1,011	144	72	11	38	
Boise. linois: Alton	17,358 17,528	2, 283 1, 504	1,555 764	548 484	112 835	32	15	7	LI W
Arlington Heights. Aurora (includes activities at Montgomery and North Aurora) Belleville Benton (includes activities at West City) Berwyn (includes activities at Clyde, Morton, Park, and North Berwyn). Bloomington. Blue Island (includes activities at Burr Oak) Harvey Morgan Park. Buckner.	1,943 29,807 21,122 2,675 5,841	6,702 2,500 229 1,570 3,407 1,903 1,784 662	3,566 1,227 122 751 1,612 1,015 974 310	1,795 770 17 536 1,152 625 385 230	348 281 56	115 136 105 29	28 37 120 6	5 1 89 1 8 6 5 4	
Chicago (includes activities at Austin, Hawthorn, Jefferson, and Kensington). Evanston. Chicago Heights. Christopher (includes activities at Hedgetown and Urbain)	2, 185, 283 24, 978 14, 525 1, 825	781, 217 5, 700 6, 077	379,850 2,501 3,539	190,693 1,349 1,135		8,895		3,153	3,0
Christopher (includes activities at Hodgetown and Urbain)	14,557 31,140	6,072 2,422	3, 196 1, 127	1,354 694	84	14	25 40	26	
De Kalb (includes activities at Cortland, Creston, Elburn, Malta, Maple Park, and Rollo). Rochelle. Sycamore. East St. Louis Galesburg (includes activities at East Galesburg).	8, 102 2, 732 3, 926 58, 547	2,584 420 686 9,400	1, 478 195 349 5, 729	637 126 234 1,613	1,513	128 22	5 24	9	
Glencoe. Granite City Harrisburg (includes activities at Carriers Mills and Ledford). Herrin Highland Park (includes activities at Highwood).	22,089 1,899 9,903 5,309 6,861	2,784 295 1,080	1,844 1,863 180 565	1, 192 344 49 205	62 131	28 26	6 1 231 130 51	1 9 10	
Highland Park (includes activities at Highwood). Johnston City Joliet (includes activities at Rockdale). Lake Forest. La Salle (includes activities at Utica).	4, 209 3, 248 34, 670 3, 349	864 696 10,441 1,106 3,442	341 379 5,877 478	120 131 2,483 251	455	112	62	23	
Marion. Marion.	11,537 5,046 7,093 8,033	2,512	1,722 1,845 140 947	888 60 31 515	381	122	14	97	
Melrose Park. Moline (includes activities at Silvis). East Moline. North Chicago Oak Park	4,806 24,199 2,665 3,306 19,444	2,053 2,294 7,211 1,232 1,325 3,325	1, 284 4, 089 851 738 1, 380	2, 229 134 246 934		294	138 10 14	155 8 9	i
Oglesby Ottawa Pana. Peoria	9,535 6,055 66,950 7,984	1,502 1,098 8,810 2,135	745 516 4,661 1,048	532 287 2,598 703		26 107	86 52 5	4 4 6	
Rockford Rock Island Royalton (includes activities at Bush and Hearst) St. Charles	45, 401 24, 335 357 4, 046	13, 828 4, 922	7, 102 2, 537	4, 094 1, 491	367	145	78 36 50 17	65 33	
Sesser Springfield. Spring Valley (includes activities at Cherry, Dalzell, Depue, Ladd, Mar-	1,292 51,678	6,900	3,356	1,940	423	173	20	59	
Spring Valley (includes activities at Cherry, Dalzell, Depue, Ladd, Marquette, and Seatonville)	- 100	2,992	1,536	1,112	255	85	7	12	-

State and city or town.	Populati	lon, 1910.	white i	n-born males of ege, 1910.	papers county 1916, to	lization filed in July 1, June 30,	Nan	mes furnished.	
	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
Illinois—Continued.	14, 253	2 422	1,705	1,063			5	1	
Streator. Waukegan Westville (includes activities at Georgetown). Bridge Farm. Woodstock	16,069 2,607 967 4,331	3, 432 5, 624 1, 253	3, 176 720 354	1,087 389	450 99	142 37	18 23 9	32 16	2
ZeiglerIndiana;							88	3 7	
Anderson (includes activities at Lapel, Middletown, and Pendleton)	22, 476 5, 006 11, 028 8, 634 6, 229 19, 008	977 451 812 102 1,805 10,235	548 248 409 58 937 6,638	255 - 151 241 - 31 171 951	188 6,543	25 23 310	514	16	308
Elkhart. Fort Wayne (includes activities at Arcola, Huntertown, and New Haven) Gary. Hammond (includes activities at Cambridge City and Centerville)	19, 282 63, 933 16, 802 20, 925 233, 650	1,636 7,204 8,242 5,553 19,767	893 3,785 5,693 3,131 10,407	2,459 1,008 1,022 6,088	131 599 1,227	40 391 332	98 35 1,402 108 312	26 93 34 56	1 2 66. 8 16.
Indianapolis. Kokomo (includes activities at Center Township) Laporte. Logansport Mishawaka Peru	17,010 10,525 19,050 11,886 10,910 22,324	719 1,954 1,405 1,803 687 1,173	389 1,083 777 977 363 599	236 522 414 346 211 320	55 277 179 18 55	8 72 16 13 103	61 132 63 30	3 11 5 12 2 2	1
Richmond South Bend Sullivan Vincennes Whiting Jowa	53, 684 4, 115 14, 895 6, 587	13, 420 88 816 2, 888	6,787 51 438 1,715	2, 226 17 321 463	1, 111 29 163	398 7 17	164	24 2 3 27	8
Burlington (includes activities at West Burlington). Carney (includes activities at Delaware, Bloomfield, Enterprise, Oralabor,	24,324	3,938	2,037	1,283	31	10	106	8	
Saylor, and Swanwood). Cedar Falls Cedar Rapids (includes activities at Benson, Cedar Heights, Janesville, New Hartford, and Parkersburg). Charles City. Cherokee.	5,012 32,811 5,892 4,884	753 5,321 821 754	356 2,619 455 425	261 1,531 289 183	201 19 29-	30 57 5 7	31 6 48	36	2
Clayworks Clinton Council Bluffs. Davenport (includes activities at Bettendorf and Rockingham). Des Moines	25, 577 29, 292 43, 028 86, 368	4,880 4,268 8,101 10,395	2,615 2,309 4,132 5,231	1,697 1,302 2,597 2,807	88 126 219 392	32 49 65 109	89 34 11 42	10 22 39	
Valley Junction Dubuque Fort Dodge High Bridge Lyons	2,573 38,494 15,543	175 6,089 2,189	93 3,220 1,199	2, 281 609	95 36	24 9	514 7	14 6 1	
Mason City Museatine (includes activities at Blue Grass and Fairport). Mystic. Oelwein. Scandia	11,230 16,178 2,663 6,028	1,508 2,145 522 929	823 1,059 283 565	322 713 99 202	95 35 45 58	31 13 27 16	190 25 6 58	13 2 1 3	
Sionx City (includes activities at Leeds, Riverside, and South Sionx City). Waterloo (includes activities at Waterloo East Side and Waterloo West Side) Yoder.	47, 828 26, 693	10,452 2,706	5, 781 1, 494	2,408 650	388	76	59 302	36 6	5
Kansas: Atchison. Barber. Caney.	16, 429 3, 597	1,084	526 113	289	46	15	10	8	
Capaldo. Carona (includes activities at Cokedale, East Mineral, Hamilton, and Mackie). Cherryvale. Dearing.	4,304 250	176	108	29	36	11	3	2	
Edson Fort Seott Franklin Frontenac	19, 463 3, 396	388 1,572	209 798	106 253	7	2	165 186	3	
Gross. Horton Kansas City. Parsons. Pittsburg. Radley.	3,600 82,331 12,463 14,755	235 10,344 463 1,137	137 5,710 259 588	66 2,427 133 322	21 942 9 311	11 72 1 61	282 1 182 74	16 1	3
Ringo Roseland Salina Skidmore South Hadley	396 9,688	740	376	222	18	7	9 2	1	
Topeka. Wichita Kentucky: Danville.	43,684 52,450 5,420	4, 153 2, 855 69	2, 123 1, 591 40	1,115 653 12	91 103	13 40	16 124	11 11	i
Lexington. Louisville. Newport. Louisiana: Amite (includes activities at Gulette, Independence, Roseland, and Shiloh).	35,099 223,928 30,309	936 17, 436 3, 405	509 8,334 1,534	330 5,704 1,009	284 53	90 23	13	19	1
Hammond. Kentwood. Natalbany. New Orleans (includes activities at Algiers, Amesville, Chef Manteur, Gen-	2,942 3,609	154 150	72 72	18 8	32	11		1	
tilly, Gretna, Lakeview, Lee, Little Woods, McDomghville, Mineburg, and Pontchartrain Grove Shreveport.	339, 075 28, 015	27, 686 1, 004	13,486 525	6, 138 248	1,217 105	328 10	95	96	8

State and city or town,	Populati	on, 1910.	white i	m-born males of age, 1910.	papers county 1916, to	lization filed in July 1, June 30, 17.	Nan	nes furni	shed.
	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
ilne:	47 004	0 ****							
Auburn Augusta Hallowell	15,064 13,211	2,574 2,639 309	1,090 1,022 181	454 271 74	209 226	70 38	3 10	6 4	
Bangor	2,864 24,803	4,280	1,883	610	364	52	9	7	i
Biddeford	9,396 17,079	1,315 6,761	526 2,537	210 823	84	30	8 4	7 3	
Biddeford Brunswick (includes activities at Topsham) Foxcroft	6,621 1,867	1,539	602	270			14	3	
Lewiston. Lisbon.	26, 247 4, 116	9,418 988	3,502 427	1,406			9	29	1
Old Town	6,317 3,555	1,383 868	664 449	118 63				1	
Portland	58,571 7,471	12,078 1,003	5,023 415	2,222 147	758	437	108	71	9
Westbrook	8,281	1,744	748	347					
Presque Isle. Rumford (includes activities at Mexico, Smithville, and Virginia) Saco.	5,179 6,777	1,147 2,634	524 1,280	166 192	560 111	35 51			
Skowhegan	6,583 5,341	1,168 783	463 346	158 144	76	17	2	1	
Waterville (includes activities at Winslow)	11,458	2,688	1,138	454			13	6	44
Baltimore (includes activities at Arlington, Brooklyn, Catonsville, Curtis Bay, Dundalk, Franklinville, Gardenville, Govans, Hamilton, Hills- dale, Mount Winans, Orangeville, Roland Park, Sparrows Point, Tow- son, and West Arlington).	EEO AOE	77 049	99 290	10.040	0.074	000	201		
ssachusetts:	558, 485	77,043	33,638	16,643	3,674	860	221	212	23
Adams	13,026 5,112 11,187	5,097 661	2,042 259	766 83			10	2	1100
Arlington	11,187 8,536	2,758 1,638	1,157 779	602 176			- 24	10	2
Attleboro	8,536 16,215 5,542	4,453 1,572	1,919	808 275			32	16	1
Belmont. Beverly (includes activities at Hamilton and Wenham)	18,650 9,407	4,661	2,174	808 385			52	23	2
Danvers. Boston (includes activities at Allston, Brighton, Charlestown, Dorchester, East Boston, Mattapan, Mount Hope, Rosindale, Roxbury, South Boston, and West Roxbury). Hyde Park. Bridgewater. Brockton	9,407	1,908	790	350	•••••		••••••		
East Boston, Mattapan, Mount Hope, Rosindale, Roxbury, South Boston, and West Roxbury).	670, 585	240,722	103,160	47,791	16, 169	4,148	1,172	625	69
Hyde Park	15,507 7,688	4,442 2,317	2,077 1,623 7,033	905 482			10	8	
Brockton Brookline	56,878 27,792	15,425 8,345	7,033 2,307	3,167 1,274	725	253	28 87	105	. (
Cambridge	104, 839	34,608	14,636	7,162	898	214	126	19 62	
Canton Chelsea	4,797 32,452	1,156 13,748	489 5,883	252 2,133			7 83 22	14 55	
Clinton (includes activities at Boylston, Lancaster, and Sterling).	25, 401 13, 075	10,036 4,798	4,330 1,916	1,280 1,029			22 6	15 13	-
Concord (includes activities at Bedford, Carlisle, and Lincoln)	2,585 6,421	520 1,649	217 738	85 292			4	5	
Cohasset Concord (includes activities at Bedford, Carlisle, and Lincoln). Dedham Douglass.	9.284	2,718	1,206	520	445	96	9	7	
Dudley	2,152 4,267	1,579	704	172					
Dudley East Bridgewater (includes activities at Elmwood and Westdale). East Falmouth Easthampton (includes activities at Southampton) Easton.	3,363	547	253	113				1	
Easthampton (includes activities at Southampton)	8,524 5,139	3,077 1,371	1,227	404 380			2	9	
Mansfield	5,183	1,020	470	141			3		
Everett	33, 484 119, 295	9,607 50,874	4,085 20,181	2, 228 8, 368		205	55	25 81	3
Fall River (includes activities at Swansea)	2.798	706	295	102		705			11
Westport Tiverton, R. I.	2,928 4,032	591 1,069	261 497	68 175					
Falmouth.	3,144 37,826	13,611	245 5,933	1,950			9	13	
Fitchburg Framingham (includes activities at Ashland, Hopkinton, and Sherborn). Franklin (includes activities at Wrentham)	12,948 5,641	3,156 1,504	1,341 722	557 248			24 1	5	
Medway	2,696 14,699	537	216	112					
Gardner Gloecester (includes activities at Essex).	24,398	5,312 7,484	2,703 3,980	1,743			5 9	14 13	1
Manchester	2,673 10,427	1,918	437 916	165 366	232	41	7	13	
Manchester Greenfield (includes activities at Deerfield). Hanover (includes activities at Norwell and Pembroke). Haverhill (includes activities at Merrimac, Mass., and Newton and Plais-	2,326				232				
tow, N. H.)	44, 115 9, 894	11,153 2,635	4,936				33	30	2
Hingham	4,965	943 23, 238	388 9,457	153			5 70	3 47	4
Hotyoge (includes activities at South Hadrey Falls and Williamansett) Hudson (includes activities at Berlin, Bolton, and Stow) Ipswich (includes activities at Hamilton, Rowley, and Topsfield)	57,730 6,743	1,790	863	293			4	3	
Ipswich (includes activities at Hamilton, Rowley, and Topsfield)	5,777 85,892 17,580	2,251 41,319	872 17, 414	6,588	3,072	799	185	104	14
Leominster (includes activities at Lunenberg). Lexington (includes activities at Bedford and Burlington).	17,580 4,918	4,875 1,143	2,058 517	645			25	7	1
Lowell	106, 294	43, 457	18, 191	7,028			114	134	16
Dracut. Tewksbury.	3,461	1,035 1,670 2,309	482 872	89 110					
Ludlow. Lynn (includes activities at Nahant).	4,948 89,336	27,344	799 12,038	4.931			247	120	14
Saugus. Swampscott.	8,047	1,750 1,369	751 580						
Malden	44, 404 15, 715 14, 579	13, 430 3, 091	5, 404 1, 182	2,941			47	67	6
Melrose Mariboro (includes activities at Northboro and Southboro)	14,579	3, 344 3, 002	1,508 1,403	810			13 11	15	
Maynard	6,390 23,150 11,448	5, 126	2,134	1.196			58	5 44	6
Methuen Milford	11,448 13,055	4,501 4,331	1,776 2,039	922		*******	17 16	33 19	

State and city or town.	Populati	on, 1910.	Foreig white n voting a	nales of	Natura papers county 1916, to . 191	filed in July 1, June 30,	Nan	nes furnisi	hed.
protection (iv) of tonic	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants.		Candi- dates' wives.
issachusetts—Continued. Monson Montague Notaigue Natiek Needham New Bedford (includes activities at Acushnet and Freetown) Dartmouth Fairhaven Newburyport Newton North Adams Northampton North Attleboro (includes activities at Plainville) North Hides Northides	4,758 6,866 9,866 5,026 96,652 4,378 5,122 14,949 39,806 22,019 19,431 9,562 8,807	904 1, 936 1, 937 1, 584 42, 625 1, 072 1, 232 3, 007 11, 191 6, 046 4, 880 2, 490 3, 560	399 923 926 644 17, 151 488 538 1, 215 4, 061 2, 561 2, 130 1, 133 1, 619	156 375 499 268 5,441 116 173 569 1,829 1,266 983 508	299	58	13 4 7 76 13 4 3 20	4 4 4 - 190 	15
North Easton Norwood Palmer (includes activities at Bondsville, Thorndyke, and Three Rivers) Peabedy Pittsfield (includes activities at Hinsdale and Lanesboro) Dalton Lenox Plymouth Quiney Revere. Revere. Rockland Abington Weymouth. Rockport (includes activities at Pigeon Cove) Salem. Shrewsbury.	43,697	2, 555 3, 074 5, 341 6, 744 462 754 3, 722 10, 875 5, 331 1, 110 885 2, 312 1, 029 13, 539	1, 289 1, 354 2, 931 3, 176 199 350 1, 621 4, 996 2, 400 502 339 1, 099 478 5, 696	521 282 783 1,540 138 178 463 2,367 1,407 276 153 509 200 2,443	763	171	9 10 10 32 10 86 78 1 37	1 42 9 25 22	2 1 2 7 7 7
Somerville Southboro. Southboro. Southbridge (includes activities at Charlton and Sturbridge) Springlield (includes activities at Long Meadow). Agawam Stoneham Stoughton. Taunten. Uxbridge Wakefield (includes activities at Lynnfield). Reading. Walpole (includes activities at Norfolk) Foxboro. Waltham Watertown. Webster. Wellesley	77, 236 12, 592 88, 926 3, 501 7, 090 6, 316 34, 259 4, 671 11, 404 5, 818 4, 892 3, 863 27, 834 12, 875 11, 509 5, 413	20, 751 4, 315 22, 999 826 1, 362 1, 439 9, 779 1, 243 3, 128 1, 012 1, 306 698 7, 683 4, 057 4, 096 1, 559	8,814 1,943 9,942 378 615 666 4,206 601 1,280 421 635 377 3,068 1,773 1,783 550	4, 263 657 4, 182 155 316 266 1, 506 1, 44 662 191 230 125 1, 525 804 680 234	2,818	595	101 2 152 4 2 13 31 4 21 14 14 11	77 23 83 1 4 22 2 12 7 11 10 10 1	1
West Springfield Whitman Winchester Winthrop Woburn (includes activities at Burlington and Wilmington) Worcester [ehiran: Albion Aloha (includes activities at Dunn Mine Location) Baltic (includes activities at Atlantic Mine, South Range, and Trimountain)	9, 224 7, 292 9, 309 10, 132 15, 308 145, 986 5, 833	4, 401 2, 100 1, 108 2, 486 2, 093 4, 039 48, 492 775	2,173 943 481 1,027 819 2,006 22,816 421	588 372 218 366 551 1,063 9,126 245	3, 283	704	11 4 2 4 15 21 161 5	10 11 7 153	
Battle Creek Bay City Belding Benton Harbor (includes activities at Coloma and Milburg) Bensemer Calumet (includes activities at Centennial, Centennial Heights, Kearsarge, Oscoola, Tamarack, and Wolverine; exclusive of Laurium and Red Jacket) Larium Red Jacket	4,583	2,616 11,027 351 1,187 2,144 2,617 1,953	1, 259 5, 213 130 538 1, 260 1, 263 1, 151	4,009 66 340 427	144 205 174 426	26 141 61 117 206	9 48 15 47	18 11	
Red Jacket. Crystal Falls Detroit. Dorite. Dodgeville.	3,775 465,766	1,953 1,501 156,565	1,151 818 75,323	358	274 14, 229	73 2,663	12 1,909		
Dowagiac . Escanaba (includes activities at North Escanaba and Wells)	5, 088 13, 194 38, 550 4, 211 5, 856 112, 571	471 4,095 6,662 1,423 1,364 28,335	263 2,236 3,628 753 665 13,689	1,365 1,579 352 393 7,758	12 165 811 92 877	6 48 83 40 269	11 65 56 7 124	22 174 1	
Hancock (includes activities at Franklin Mine and Quincy Mine)	4,120 3,559 10,490 5,030 9,216 2,450	3, 162 915 1, 261 2, 465 744 3, 741	1,611 404 568 1,162 366 1,878	764 268 1,208		17 90	8 177 1 16 14	10 4 3 5 -27	
Ironwood. Ishpeming. Jackson. Kalamazoo (includes activities at Comstock, Galesburg, Plainwell, Schoolcraft, and Vicksburg). Lansing (includes activities an Bath, DeWitt, Dimondale, Haslett, Holt, and Masons). St. Johns. Loretto (includes activities at Waucedah.	12,821 12,448 31,433 39,437 31,229	6, 234 4, 732 4, 307 6, 857 3, 973 192	3,651 2,478 2,182 3,149 2,006 97	1,180	254 187 524	32 74 42	78 29 19 28 43	31 3 12 27	

State and city or town.	Populati	on, 1910.	white i	m-born nales of ege, 1910.	papers	dization filed in July 1, June 30, 17.	Nan	nes furni	shed.
	Total,	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions,	De- clar- ants.	Peti- tioners.	Cand dates wive
chigan—Continued. Manistee (includes activities at East Lake, File City, and Oak Hill) Marquette	12,381 11,503	3,610 3,574	1,828 1,930	1,480 1,117	39 249	21 135	7 12	10	
Marquette. Mohawk (includes activities at Ahmeek and Allouez). Monroe (includes activities at Erie and La Salle). Muskegon (includes activities at Fruitport and Muskegon Heights). Negaunee. Owosso (includes activities at Corunna, Morrice, and Perry).	6,893 24,062 8,460 9,639	828 6, 252 3, 862 1, 352	458 3,092 2,207 674	188 2,070 869 398	39 53 216	21 13 34	22 32	2 10 48	
Painesdale	14,532	2,683	1,290	619	274	48		5 8	1000
Pontiae Port Huron (includes activities at North Port Huron, Salt Block, and Upton Works). River Rouge (includes activities at Ecorse, Ford City, and Navarre). Saginaw (includes activities at Birch Run, Bridgeport, Burt, Carrollton, Chesaning, Fosters, Freeland, Merrill, Oakley, Swan Creek, and Zil-	18,863 4,163	5,979 1,227	2,541 581	1,917 284	187	24	5	1 2	
Waukee) Saginaw West Side	50,510	11,701	5,584	3,799	339	108	42 12	14	
St. Charles Scottville (includes activities at Amber and Custer) Stambaugh (includes activities at New Caspian and Palatka) Traverse City Ypsilanti (includes activities at Saline and Wayne)	1,451 891 1,322 .12,115 6,230	2,009 614	1,042 251	634 155	19 16 164	12 9 98	3 19	7 1	
mesota: Albert Lee (includes activities at Alden, Armstrong, Clarks Grove, Glenville, Hayward, and Manchester). Aurora (includes activities at Adriatic, Messaba, and Stevens)	6, 192 1, 919	1,192	591	337	61	44	1	2 8	
Austin (includes activities at Brownsdale, Lansing, Lyle, Oakland, and Waltham	6,960 5,099 1,690	1, 128 1, 056	615 670	342 401	41 90	13 76	1 2	4 4	
Biwabik (includes activities at Pineville). Brainerd (includes activities at Barrows)	8,526 1,005	2, 164	1,122	796	58	38	13	9 7	
Buhl Chisholm (includes activities at Hartley, Monroe Location, Myers, and Shenango). Clementson	7,684	4,469	2,936	551			13 2	25 12	
Cloquet. Coleraine (includes activities at Bovey, Calumet, Marble, and Taconite) Crosby (includes activities at Deerwood and Ironton) Duluth.	7, 031 1, 613	2,959 30,652	1,794	753 8,359	3,360	703	5 7 146	4 10 140	
Dunhar		773	422	220	63	44	i	3 4	
East Grand Forks. Grand Forks, N. Dak. Ely (includes activities at Winton). Eveleth. Fairmont	2,533 12,478 3,572 7,036 2,958	3,607 1,713 3,761 392	1,756 995 2,328 198	929 377 679 169	40	20	8 13 2	15 16 1	
Faribault Fergus Falls (includes activities at Battle Lake, Pelican Rapids, Rothsay, and Underwood). Gilbert (includes activities at Elba, Genoa Mining Location, McKinley, and Sparta). Greenten	9,001 6,887 1,700	1,443 2,418	1,288	445 494	40 73	17 54	5 4 13	9	
Chand Davids	2,230				103	57	2		
Hibbing (includes activities at Alice, Brooklyn, Carson Lake, Dupond, Glenn, Kittsville, Lamberton, Latonia, Mace, Mahoning, Mabel Hill, Mitchell Morton, Penobscot, Pool, and Stavenson).	8,832	4,342	2,879	730			13	15	
Homestead. International Falls. Keewatin (includes activities at Bennet Mine, Bray Location, and St. Paul Location). Kettle River.	1,487 695					30	12 1	7	
Kinney (includes activities at Lucknow, Sharon, and Spina Linford.							2	6	
Little Falls Lattle Marais	6,078	1,300	638	522	31	20	4	ii	
Mankato (includes activities at Eagle Lake, Kasota, Lake Crystal, and North Mankato). St. Peter. Minneapolis (includes activities at Robbinsdale and St. Louis Park)	10,365 4,176 301,408	2,070 1,260 85,938	1,018 635 45,159	814 254 23, 462	91 2,473	33 841	9 480	6 356	
Montevideo. Moorhead Mountain Iron (includes activities at Costin, Ellis, Hopper, Kinross, Leonidas Mine, and Parkville).	3,056 4,840 1,343	571 1,384	304 751	177 458	36 51	15 23	4	5	
Nashwauk Owatonna (includes activities at Bixby, Havana, Hope, Medford, Meriden, Merton, and Pratt)	2,080	1,104	520	400	36	9	5	2	
Rosey St. Cloud (includes activities at Sauk Rapids and White Park) St. Paul (includes activities at North St. Paul).	10,600 214,744	2,024 56,524	1,103 29,048	675 17,071	1,709	483	5 146	4 140	
Section Thirty. South St. Paul. Stillwater (includes activities at Oak Park and South Stillwater) Tofte	4,510 10,198	1,723 2,774	934 1,578	423 1,151	24 25	15 19	2 3	8 4	
Trout Lake. Two Harbors Virginia (includes activities at Franklin and Northside)	4,990 10,473	2,114 5,340	1,265 3,397	466 958	297	37	10 17	9 27	
Winger Winona Williams	728 18,583	3,858	1,929	1,586	60	19	15	4	
Williams. Wilmar Wrenshall (includes activities at Banker, Carlton, Huson, and Wingate). Wright.	4,135 755	1,281	631	434	34	28		4	
ississippi: Greenville. Gulfport.	9,610 6,386	296 269	185 164	86					

State and city or town.	Populati	on, 1910.	Foreig white i voting a	nales of	Natura papers county 1916, to	filed in July 1, June 30,	Names furnished.		
	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants,	Peti- tioners.	Candi dates wives
Missouri:	8,475	375	208	162	7	2			
Cape Girardeau Tlasco Kansas City (includes activities at North Kansas City)	248, 381	25,327	13,052	6,953	1,050	204	184	101	1
Independence. Rosedale, Kans	9,859 5,960	412 470	203 228	116 173					
St. Joseph St. Louis	77,403 687,029	8,113 125,706	63,440	2,256 33,081	246 6,827	39 968	476 1,038	377	6
Maplewood	4,976 17,822	505 801	267 413	191 225	2		8	1	
fontana: Great Falls	13,948	3,662	1,943	1,018	446	33		16	1
Lewistown (includes activities at Glengarry, Hilger, Moore, and South Lewistown).	2,992 4,697	411 852	219 555	123 166	137 192	28 14	63 61	10	1
Miles City Missoula Red Lodge	12,869 4,860	2,997 2,099	2,020 1,314	785 420	87 53	7 12	3	1 8	
Retraska: Elyria	1,000	2,000	1,014	120	24	10	220000000		
Fremont	- 8,718 10,326	1,369 1,561	686 869	457 541	78 80	47 12	81 90	2	
Hebron	1,778 43,973	7, 200	3,101	1,372	17 227	13 98	25	18	
NorfolkOmaha (includes activities at Florence)	6,025 124,096	799 27,068	422 13,788	162 7,079	2,315	17 386	919	109	
Benson. South Omaha	3,170 26,259	484 7,834	237 4,377	155 1,956					
SchuylerWilber.	2,152 1,219				89 63	29 26	30	1	
levada: Reno	10,867	2,059 522	1,239	591	95	23	140	13	
Sparks w Hampshire: Berlin (includes activities at Gorham and Milan)	2,500 11,780	5,082	338 2,378	768	282	65	*******	36	
Claremont Concord (includes activities at Penacook).	7,529 21,497	1,819 4,309	731 1,984	298 962	53 310	23 50	1 9	7 21	
Pembroke. Dover (includes activities at Durham, Elliot, Madbury, and Rollinsford)	3,062 13,247	878 3, 206	358 1,475	230 747	137	39	4	11	
Newmarket	3,348	1,340	497	106			2		
East Jaffrey. Franklin (includes activities at Northfield and Sanbornton)Jaffrey.	6,132 1,895	1,613	596	262	103	17	1 19	2 1	
Lebanon Manchester (includes activities at Auburn, Bedford, Bow, Candia, Chester, Grassmere, Hookset, and Weare)	5,718	961	395	153				1	18
Goffstown	70,063 2,579	29, 692 515	11,486 265	4,566 66	694	285	40	108	
NashuaPortsmouth	26,005 11,269	8,957 2,138	3,748 975	1, 190 514	120	62	43	40	
Salem (includes activities at Hampshire)	2,117 1,866				95	10	2		
Yew Jersey: Atlantic City (includes activities at Ventnor City) Pleasantville.	46,150 4,390	6,400	2,996 170	1,170 56	477	138	45	58	
Bayonne	55, 545	20, 522	10, 109	3,364			69	110	
Bloomfield	15,070 34,371	3,359 5,677	1,544 2,079	808 1,187			2	9	
Boonton. Bordentown (includes activities at Roebling and White House)	4,930 4,250	1,090 349	505 162	207 63	244	64	6 3		
Bound Brook Carneys Point.	3,970	1,242	606	212	289 120	49 17	5	5	
Cranford. Dover (includes activities at Bowlbyville, Denville, Kenvil, Mill Brook,	3,641								
Mine Hill, Rockaway, and Succasunna). Wharton.	7,468 2,983 3,163	1,313 1,133	667 732	385 169 255			10	4	
East Newark. East Rutherford (includes activities at Lyndhurst). Carlstadt.	4,275 3,807	1,215 1,187 1,272	546 561 591	297 331			1	4	
Wallington. Elizabeth	3,448 73,409	1,365 23,894	618 11,713	199 5,036	1,757	494	77	68	
Englewood	9,924 4,731	2,500	950	422			. 15	2	
Hackensack (including activities at Bogota, Maywood, North Hackensack, Oradell, Teaneck, and Woodridge	14,050	3, 255	1,473	564	1,347	420	28	12	
Harrison. Hoboken.	14, 498 70, 324	5, 257 27, 668	2,503 13,562	1,046 5,796			39 92	39 100	
Irvington. Jersey City Kearney (includes activities at Arlington and North Arlington)	11, 877 267, 779	2,480 77,697	1,192 37,707	737 16, 556	6, 738	2,082	58 288	305	
Leonia (includes activities at Palisade Park and Ridgefield)	18, 659 1, 486	6, 024	2,888	1,430			17	31	
Edgewater Fort Lee Long Branch	2, 655 4, 472 13, 298	921 1, 264 2, 529	492 636 1,250	138 325 496	324	90	15	20	
Long Branch. Montclair (includes activities at Caldwell, Cedar Grove, Essex Falls, and Verona)	21,550	5, 141	2,023	771	021	00	4	10	
West Orange Morristown	10, 980 12, 507	2, 850 2, 657	1,336 1,115	628 562	453	114	12	11	
Newark New Brunswick	347, 469 23, 388	110, 655 6, 048	49, 674 2, 278	21,427 846	4, 190 2, 166	1,470 451	312 32	272 44	
Orange	29, 630 1, 401	8,069	3, 660	1,822	2,100		70	39	
Passaic Paterson (includes activities at North Paterson and Totowa)	54, 773 125, 600	28, 467 45, 398	10, 920 20, 182	2,967 9,817	1,477	619	40 96	53 157	
Haledon Hawthorne	2,560 3,400	1,041 953	476 442	288 218					
Prospect Park Perth Amboy (includes activities at Fords, Keasbey, Sewaren, and Wood-	2,719	1, 214 14, 288	512 7, 201	228				12	

State and city or town.	Populat	ion, 1910.	white	en-born males of age, 1910.	Naturalizaton papers filed in county July 1, 1916, to June 30, 1917.		Names fur		rnished.	
	Total.	Foreign- born white.	Total.	Natural- ized,	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.	
few Jersey—Continued. Plainfield.	20, 550	4.144	1.670	220						
Rahway. Red Bank (includes activities at Eatontown, Fairhaven, Little Silzer, and Shrewsbury).	9,337	4, 144 1, 659	1, 670 840	830 407			9 3	7 2	10	
and Surewsbury). Ridgewood. Summit (includes activities at Chatham, Millburn, New Providence, Short	7,398 5,416	993 768	457 316	175 162			11	4 3	9	
Hills and Springheld)	4 - 783(1)	2,024 803	769 362	349			15	2	7	
Tenafly. Town of Union (includes activity at Weehawken). Trenton.	21,023 96,815	6, 665 26, 310	3,133 12,938	1,723 5,253	1,605		66 205	46 204	55 283	
West Hoboken (includes activities at North Bergen),	35,403	1,057 13,713	6,177	232	1,000		8 32	3 49	52	
West New York (includes activities at Union Hill)	13,560 5,647	3,556 2,187	1,712 1,104	920 452			12	25	29	
Woodbine. ew Mexico:	2,399				53	21	1		1	
Albuquerque (laclades activities at Baralas, Martinez Town, and Old Albuquerque). Santa Fe.	11,020 5,072	1,269 196	624 108	430 70	31 15	12	5	3	2	
ew York: Albany (includes activities at West Albany)	100, 253	18,165	8,192	4,827	842	3 249	57	99	61	
Amsterdam (includes activities at Fancher and Hulberton)	5,016 31,267	995 10,624	454 4,691	327 1,808	135 596	45 86	66 57	6 26	3 51	
Auburn (includes activities at Aurelius, Fleming, Melrose Park, Owasco, Port Byron, Sennett, Skaneateles, and Throop)	34,668	7,620	3,788	1,743	402	89	28	- 41	40	
Ballston Spa. Batavia Banghamton (includes activities at Endicott, Johnson City, and Union)	4,138 11,613 48,443	604 2, 133	1,026	152 474	182 111	.51 25	4	5	6	
Buffalo (includes activities at Checktowaga and Sloan) Carthage	423, 715 3, 563	7,389 118,444 483	3,310 56,337 266	1,260 29,409 83	627 4,897	106 1,556	36 341 6	43 309 5	47 442 5	
Cohoes. Corning	24,709 13,730	7,373 1,795	2,990 896	1,605	220	58	15	8 18	13	
Depew Lancaster	3,921 4,364	1,913 727	1,192 385	223 175			6	10	9	
Dunkirk. Fredonia. Flavorille (includes activities at Greenfield and Naparocch)	17, 221 5, 285 3, 114	5, 146 1, 187 316	2,548	1,067 268			33	11	41	
Ellenville (includes activities at Greenfield and Napanoch). Elmira (includes activities at Horseheads and Wellsburg).	37, 176 2, 732	5, 259 325	157 2,494 155	112 1,648 76	187 188	77 64	4 3	22 2	14	
Geneva Gloversville	12,446 20,642	2,215 4,008	1,050 1,777	635 829	138 364	43 84	10 34	7 41	7 23	
Hornell. Hudson (includes activities at Stottville).	13,617 11,417	1,272 2,209	627 1,142	450 336	141	43	3	ii	6	
Huntington Hheea Jamestown (includes activities at Celeron, Falconer, Frewsburg, and Lake-	12,004 14,802	1,589	723	374	509 96	150 27	5 4	11 16	13	
wood)	31, 297	10, 612	5,035	2,741	308	144	31	59	53	
Little Falls Lockport	12, 273 17, 970	3,915 3,235	1,832 1,558	581 887	378 762	90 199	25 7	18 12	28 10	
Lyons. Malone.	4,460 6,467	808 819	387 346	266 205	172 79	89 19	42	6	5	
Marnaroneck. Mechanicville (includes activities at Stillwater) Medina (includes activities at Knowlesville and Middleport) Mount Vernon (includes activities at Bronxville and Pelham)	5,699 6,634	1,641	781 699	344 268			12	8 3	10	
Mount Vernon (includes activities at Bronxville and Pelham)	5, 683 30, 919 2, 722	1,058 8,029 1,140	553 3,612 543	1,950			3 23	6 35	37	
Newark	6.227 27,805	759 4, 823	325 2,241		465		9	14 19	10 21	
New Rochelle New York Niagara Falls (includes activities at La Salle)	28, 867 4, 766, 883	8,677 1,927,703	4,000 828,793	1,979 318,091	82,009	27,077	2,807	36 9,162	6, 192	
Niggara Falis (includes activities at La Salie). North Tonawanda. Tonawanda.	30, 445 11, 955	12,064 3,628	*5,755 1,887	2,082 765			83 10	130 5	120 5	
OleanOneida.	8, 290 14, 743 8, 317	1, 854 2, 424 876	948 1,184 422	573 641 234	410 99	78 22	23	10	17	
Omagnita	9, 491 27, 936	741 4,534	428 2,122	200 994	47 504	15 168	28	45	34	
Poughkeepsie Rochester (includes activities at Irondequoit, Brighton, Chili, Clarkson, Gates, Greece, Hamlin, Henrietta, Mendon, Ogden, Parma, Penfield, Perinton, Pittsford, Riga, Rush, Sweden, Webster, and Wheatland) Rockville Center (includes activities at East Rockaway, Lynbrook, Mal-	200							144 117	1	
Rockville Center (includes activities at East Rockaway, Lynbrook, Malverne, and Oceanside).	218, 149 3, 667	58,993	27, 067	13,003	2,937 1,039	S91 294	387	384	392	
Rome Schenectady (includes activities at Alplaus, Glenville, Niskayuna, and	20,497	4,114	2,254	869	1,035	201		4	5	
South Schenectady)	72,826 2,957	18,631 374	9, 562 186	3,856 105	850	275	80	88	99	
Shaleton	5, 139	1,663	946	342			9	7	8	
Syracuse (incunes activities at East Sycamore, Eastwood, Liverpool, and Onondaga Valley). Troy.	137, 249 76, 813	30, 781 15, 432	14, 944 6, 554	7,036 4,388	1,395	347 115	89 29	87 33	88 35	
Green Island	4,737 15,074	867 2,750	393 1, 226	202		113	29	90		
Watervliet Utica (includes activities at Capron, Deerfield, New Hartford, New York Mills, and Whitesboro)	74, 419	21,308	9,341	4,326	1,402	274	36	50	54	
Wastertown (includes activities at Brownville). Westbury. White Plains (includes activities at Elmsford, Hartsdale, Kensico, Pur-	26,730	6,268	2,798	1,050	661	86	33	12	25 1	
White Plains (includes activities at Elmsford, Hartsdale, Kensico, Pur- ehase, Scarsdale, and Valhalla). Yonkers.	15,949 79,803	3, 898	1,914	777	9.040		26	33	37 118	
orth Carolina: Concord (includes activities at Kannapolis).	8,715	26, 590 21	12, 295	5, 629	3, 249	1,131	52	145	118	
orta Dakota: Bismarek Deviis Lake.	5,443 5,157	965 1,236	514 652	301	56	15	13	4 5	3 2	

State and city or town.	Populat	ion, 1910.	white r	m-born nales of age, 1910.	papers county 1916, to	lization filed in July 1, June 30, 17.	Nan	es furnis	shed.
	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
North Dakota—Continued. Dicsdason. Edgeley (includes activities at Berlin, Judd, and Medbury) Fargo.	3,678 749 14,331	1,015 3,200	530	239	74 53 171	40 11 57	16	9 1 21	11
Harvey	1,443 4,358 645	878	426	203	97	25	2	5	4
Kuim	929 3,873	1,293	739	276	64	37			
Mediaa	6,188	1,150	587	325	187	22			******
New Salem. South Heart. Valley City. Williston.	4,606 3,124	1,072 653	540 364	317 171	81 82	22 49	18 3 57	3	
Ohio: Akron (includes activities at Kenmore)	69,067	13,241	7,051	2,459	1,156	217	1,526	131	4
Barberton. Cuya loga Falls Alliance. Ashtabula.	9,410 4,020 15,083 18,266	2,829 470 2,659 4,710	1,723 246 1,606 2,382 489	222 129 350 1,108	178	66	14 12	10 29	13
Bueyrus. Byssville. Canto, 'i reludes activities at New Berlin, North Industry, and Osnaburg). Cnilicothe.	8,122 3,156 50,217 14,508 363,591	872 332 8,648 618 56,792	181 5,010 290 23,723	255 85 2,005 181 17,253	27 111 517 1 1,766	6 45 131 1 544	2 34 335	6 60 1 257	6
Cincianati Cieve and (includes activities at Euclid, Royalton, Shaker Heights, and West Park) Cieveland Heights East Cieveland.	560,663 2,955	195, 703 692	94, 431 257	40,482	15,040	2,922	1,055	1,290	1,26
1.9 (1930/00)	9,179 15,181	1,418 3,916	557 1,938	397 791	•••••				
Newberg	5,813 181,511	2,010 16,285	911 8,487	539 4,453	393	119	31	38	3
Co'umbus. Collinat (includes activities at Amboy, East Conneaut, and North Conneaut). Dayton East Youngstown (includes activities at Hazletown and Lowellville)	8,319 116,577 4,972 14,825	1,533 13,847 3,866 3,061	793 7,303 2,814 1,709	326 3,451 107 556	477 1,292 1,038	139 360 122	44 154 13	2 51 38 9	5 3 1
Forsythe	9,939	1,057	516	385	48	10	7	6	
Frem 21t Hamilton (includes activities at Coke Otto, Fairfield Township, St. Clair 'to waship, and Symmes) Lectonia.	35, 279	3,309	1,703	1,042	224	38	3	6	
Lestonia Liston Loraine	2,665 3,084 28,883	647 - 261 10, 929	375 158 6,216	103 61 1,496	171	59	1 2	23	2
Martins Ferry	9,133	1,540 196	787 103	348 85	445	131	3	5	
Niles	4,271 8,361 5,501	2,502 595	1,437 294	399 138	258 77	55 24	20	8	
Painssville Piqua (includes activities at Bradford, Covington, Fletcher, Pleasant Hill, and West Milton) Troy Robins	13,388 6,122	752 179	379 88	195 59	33	7	3	1	
Salem (includes activities at Beloit, Green, and Washingtonville)	8,943 46,921	1,239 3,156 5,214	703 1,662	234 916	56	10	48	3 5	
Struthers	22,391 3,370	1,055	3, 103 606	589 109	431	102	14 12	12	
Tiffin. Tole to	11,894 168,497	32,037	455 15,826	8,752	1,887	10 328	323	186	18
Warren Youn stown	11,081 79,066	1,352 24,860	667 14,027	4,268			91	2 47	6
Bartlesville (includes activities at Dewey and Smeltertown)	6,181 3,255 2,963	199 556 411	128 305 225	79 143 55	20 28 41	5 7 11	2	2	
Henryetta. Hugo Lehigh (includes activities at Midway and Phillips).	1,671 4,582 1,880	52	35	22	16	13	1	1	
Moore. Tulsa. Wilburton	225 18, 182 2, 277	412	245	105	13	1 11	2	1 1	
Oregon: Astoria (includes activities at Hammond and Warrenton) Portland	9,599 207,214	4,088 43,780	2, 562 25, 230	1,172 11,251	130 1,314	62 710	13 184	41 383	1 28
Pennsylvania: Allentown Altoona (includes activities at Logan Township) Holidaysburg	51, 913 52, 127 3, 734	6,234 5,212 138 206	2,705 2,757 76	904 1,083 35 44	611 227	126 91	42 28	24 41	2 3
Juniata Barnesboro (meludes activities at Cymbria Mines, Elmora, Emeigh, Gar- man, Marstellar, and Saxman	5, 285	1,149	612	277	*********		6	3	
Spangler	3, 535 2, 700 12, 191	647 2,851	337 1,657	116 396	464	88	14	5	
Berwick. West Berwick. Bethlehem (includes activities at Freemansburg and North Bethlehem)	5,357 5,512	365 2,031	218 1,258	43 80	71	16			
Bethlehem (includes activities at Freemansburg and North Bethlehem) Braddock. Bradford (includes activities at Custer City, Dagolia, Derrick City, Gilmer,	12,837 19,357	797	378 4, 103	233 929	767	130	79	43	
and Lewis Run)	14,544 20,728	2, 180 3, 510	1,046 2,050	600 380	72 381	35 92	129	6 2	
Carrick Station, Pittsburgh Chambersburg	20,728 6,117 11,800	924 172	454 87	329 60	9	5	·····i	3	
Charleroi. Chester. Connelisville (includes activities at South Connelisville).	9,615 38,537 12,845	3,356 6,673 1,587	1,679 3,476 793	1,137 343	199 653	22 151	31 31	9 35 10	
Corry	5,991 12,623	569 2,122	283 1,128	114 540	347	142	1 3	10	

State and city or town.	Populati	ion, 1910.	white	gn-born males of age, 1910.	Naturalization papers filed in county July 1, 1916, to June 30, 1917.		Nan	mes furnishe	
	Total.	Foreign- born white.	Total.	Natural- ized.	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Cand dates wives
ansylvania—Continued.	15,727	6,381	3,604	760			26	26	
East Labanon. Easton (includes activities at Glendon, Redington, West Easton, Williams)									
Township) East Pittsburgh Eddystone	28,523 5,615	3,122	1,452					23 16	
Eddystone Ellsworth Ellworth (includes activities at Hazel Dell and Wurtemburg)	1,167 2,084 3,902	1,067	686				70 7	1	
Erie (includes activities at Lawrence Park and Weslevville)	66, 525	14,943	7,562	3,348	546	176	42 10	10 54 1	
Farrell Ford City (includes activities at Cadogen and Manorville).	4,850 4,336	2,314 988	1,361 568	256 248	286 754	104 438	22 6	23	
Glenlyon	5,909	373	203	88			7 6		
Harrisburg. Hazleton (includes activities at Hazle Township)	64, 186 25, 452	4,134 5,994	1,979 2,972	917 1,457			23	4 22	1
Indiana. Jeannatte (includes activities at Grapeville and Penn Manor)	5,749 8,077	214 1,774	113 914	33 312	1,034	56 416	5 10	10	
Johnstown (includes activities at Inkerman)	4,196	,						16	
lin) Kingston	55, 482 6, 449	15,316 1,884 353	9,275 1,005	1,621 369	900	344	142 12	46 19	
KittanningLancaster	4,311 47,227	3,203	195 1,472	1,028	259	112 36	14	23	*****
Lansford Larksville Lebanon (includes activities at Lebanon Independent Borough, North	8,321 9,288	3,154 3,099	1,833 1,646	325 645	240	92	26 6	10 10	E.
Cornwall Township, South Lebanon, and West Lebanon)	19,240 5,316	1,254 344	750 209	205 67	55	6	10	2	1
Lehighton. McKeesport (includes activities at Dravosburg, Elizabeth Township, Port Vue, and Versailles). Maltby.	42, 694	12,631	6,551	2,548			48	44	
Maltby Midlands	1, 244							····i	
Midlands Monessen (includes activities at Rostraver Township) Monongahela City (includes activities at Courtney, Finleyville, Hazel	11,775	5,475	3,210	462			30	71	
Monongahela City (includes activities at Courtney, Finleyville, Hazel Kirk, Milesville, Manown Mines, and Sunny Side). Mount Carmel (includes activities at Atlas, Diamondtown, Keiser, and	7,598	1,487	795	272			14	8	
Kulmmont)	17,532 4,241 5,812	4,927 672	2,727 328	1,286 270	209	110	18	17	
Mount Oliver Station. Mount Pleasant (includes activities at Moorwood and Standard)	3,860	1,107 853	563 376	117			48	16	
Nanticose New Brighton.	18,877 8,329	7,187 865	3,923 482	148			59 3	35	
New Castle New Kensington	36, 280 7, 707 27, 875	8,620 2,376	4,707 1,389	1,326 227	401	64	16 18	19 23	
Norristown Oakdale Old Farge	1,353 11,324	4,015	1,691	477	447	105	25 38 12	19 5 23	
Old Forge Parsons Philadal-bia (includes activities at Commentary)	4,338 1,549,008	5, 168 1, 216 382, 578	2,741 656 167,072	897 325 69, 415	14,906	4 400	1,664	ica di Sa	1,
Parsons Pairsons Philadelphia (includes activities at Germantown) Pittsburgh Aspinwall	533, 995	140, 436 225	70, 148	28, 797 82	12, 295		442	1,396 508	1
	6,223 4,583	656 451	261 184	136 118					
Crafton. Homestead.	18, 713 2, 954	7, 068 805	3,942 395	835 146			179		
Portage Presston (includes activities at Pittock and Stow Township)	14,702	6,068	3,617	632					
Ramey Reading	1,045 95,071	8,812	4,528	1,430	385	81	29	36	
St. Clair St. Marys	6,455	1,827 780	1,103	243 208	120	19	31		
SerantonShamo'xin	129, 887 19, 588	35, 112 2, 788	17,461 1,517	7, 930 867	1,643	973	117 15	151 17	
Sharon	15, 270 3, 634	3, 819 892	2,249 543	519 72			8		
South Bethlehem. Farnaqua. Farentum (includes activities at Creighton, East Deer Township, Glass-	19, 973 9, 462	8, 362 753	4,423	655 203			10	12	
mere, and Hite)	7, 414 3, 134	1,677	891	337				2	
Brackenridge Borough.	9,060	455 3,369 2,361	249 1,795	652					
Throop. Fitusville	5, 133 8, 533 1, 959	1,554	1,213 805	545 452	77	19	1	4	
Trafford City. Uniontown Warren	13,344 11,080	1,447 2,035	717 951	243 583	1,157	379 37	39 28 7	21 4	-
West Hazleton	4,715 955	1,556	802	282			2 4	3	2,5
Wilke 3-Barre Williamsport (includes activities at Newberry)	67, 105 31, 860	16,078 2,332	7,899 1,153	3,754 723	2,449 53	926 24	82 1	57 4	-
Woodlawnde Is and:	1,393								
Bristol Burrillville (includes activities at Harrisville, Mapleville, and Masonville).	8,565 7,878	2,951 2,454	1,203 1,090	419 528			. i . z tosa	1	
Central Falls	7,878 22,754 5,848	10,664 1,346	4,391 513	1,870 217	247	20	58	69	R
Cranston. Cumberland (includes activities at Ashton, Lonsdale, Manville, and Valley	21,107	5,674	2,646	1,310			2	8	1
Falls)Lincoin	10, 107 9, 825	3,678 4,181	1,569 1,687	787 780				1 2	
Newport (includes activities at Jamestown and Middletown)	27,149 2,681	6, 256 770	2,925 384	1,672 74	428	111	42	31	
Providence	224, 326	76, 303	32,863	12,988	5,955	1,537	237	293	
East Providence Johnston	15,808 5,935	3,380 2,313	1,595 981	681 379	***********				

State and city or town.	Populati	ion, 1910.	white I	m-born nales of age, 1910.	papers county 1916, to	lization filed in July 1, June 30, 17.	Nan	ies furnis	shed.
	Total.	Foreign- born white,	Total.	Natural- ized,	Decla- rations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
Rhode Island—Continued. Warren. Westerly (includes activities at Ashaway, Bradford, and Stonington) Woonsocket. South Carolina:	6,585 8,696 38,125	2, 393 2, 347 16, 539	1,011 985 6,540	383 410 2,300	186	85	5 17	2 7 18	7 24
Columbia	26,319 10,753 5,791 263	1,865 822	227 - 897 - 498	103 509 216	12 107 41	2 22 10	104 47	7 2	1 4 8
Irene Lead (includes activities at Central, Terraville, Terry, and Trojan) Sioux Falls. Vermillon Yankton	8,392 14,094 2,187 3,787	2, 335 2, 215 791	1,447 1,119	547 658 248	121 144 23 43	106 13 15 15	77 14	29 5	33 2
Tennessee: Memphis. Nashville. Texas:	131, 105 110, 364	6, 467 2, 993	3, 403 1, 435	1,664 951	186 132	54 35	44 3	31 6	33
Dallas. Galveston. Houston San Antonio Victoria.	92, 104 36, 981 78, 800 96, 614 3, 673	5, 219 6, 164 6, 318 17, 407 329	2,811 3,503 3,466 7,354 156	1,507 1,962 1,754 3,114 98	254 392 435 381 30	91 123 165 206 10	7 35 21 21	19 9 37 31	10 12 29 27
Utah: Logan Park City. Salt Lake City (includes activities at Midvale)	7, 522 2, 439 92, 777 4, 057	1,518 725 19,035 1,303	656 394 8,675 703	399 307 4,335 236	41 17 864	35 6 257	44	67	60
Vermont: Beilows Falls. Bennington. Bethel. Rutland.	4,883 8,698 1,943 13,546	995 1, 103 1, 767	503 470 807	219 365 498	5 14 8 942	330		1 2	i
Virginia: Harrisonburg Lynchburg Norfolk Richmond Roano're (Includes activities at Vinton and Virginia Heights) Salem	4,879 29,494 67,452 127,628 34,874 3,849	60 450 3,564 4,085 770 19	39 250 1,820 2,040 414 12	27 130 931 943 212 6	12 16 714 253 37	2 16 210 121 14	5 77 12 7	7 20 13 8	3 20 11 6
Washineton: Bellingham Black Diamond (includes activities at Franklin) Blaine Burnett	24, 298 2, 051 2, 289 396	5, 152	2,818	1,439	167	co	52 5 6	36 15	41 13 3
Cle Ehrm. Clipper. Everett (includes activities at East Everett, Lowell, and Pinehurst) Lynden (includes activities at Everson, Glendale, and Ten Mile)	2,749 24,814 1,148	1, 145 5, 472	705 3, 294	1,673	163	113	3 57	39	31
Olympia Renton (includes activities at Earlington). Roslyn (includes activities at Beekman, Mine 5, and Ronald). Seattle. Spotane Tacoma Walla Walla (includes activities at College Place). Wil'reson.	6, 996 2, 740 3, 126 237, 194 104, 402 83, 743 19, 364 899	829 1,003 1,556 60,835 21,220 21,463 2,361	467 588 934 36,097 12,389 12,191 1,239	239 293 301 16, 438 5, 495 5, 808 682	2,543 1,296 707 90	873 226 242 25	57 399 120 194 18	36 406 79 117 16	28 314 78 120 19
West Virginia: Charleston. Clar'sburg (includes activities at Adamston, Glen Falls, Henzibah, Meadowbrook, North View, Reynoldsville, in Tincher, and Wilsonburg) Fairmont. Huntington. Jen'injones	22, 996 9, 201 9, 711 31, 161	1,014 481 630 514	543 256 370 304	242 112 127 175	80 130 93 22 93	20 52 45 6 32	7 4 1 17	1 17 9 3	12 4 3
Keyser. Logan. Morgantown (includes activities at Sabraton and Westover). Parkersburg (includes activities at Belpre and South Side). Piedmont (includes activities at Bervi). Thomas (includes activities at Ben Bush, Copeten, and Pearee). Wellsburg (includes activities at Beech Bottom and Follansbee). Wheeling (includes activities at Bridgeport, Elm Grove, and Warwood).		130 1,113 560	56 567 278	20 196 180	18 35 69 30	6 6 16 6	8 7 2 5	5 7 3 1	8 5 2 1
McMechen.	2,054 2,354 4,189 41,641 4,976 2,921 3,561	262 5, 418 1, 846 213	122 2, 679 1, 124 105	55 1,413 159 35	29 40 247	16 21 55	50 5 11	9 4 19	
Williamson. Wisconsin: Appleton (includes activities at Kaukauna, Kimberty, and Little Chute Ashland.	16,773 11,594	3, 257 3, 475	1,573 1,864	1, 287 1, 299	114 173	93 74	3	3 11	5 5
Barron Beloit (includes activities at Rockton, Ill., and South Beloit, Ill). Chippewa Falls (includes activities at Cornell and Irving). Cold Spring. Codaby (includes activities at Fernwood, St. Francis, and Stormy Hill).	1, 499 15, 125 8, 893	2,395 2,155	1,307 1,118	654 836	61 210 78	51 118 36	37 7	8 2	16 2
Eau Claire. Fond du Lac. Grand Rands (includes estivatios et Rican Village, Port Edwards Village)	3, 691- 18, 310 18, 797	4, 245 3, 062	901 2,173 1,585	1,411 1,035	109 204	54 149	5 14 10	1 13 8	12 9
Rudoiph, Saratoga, Seneca, and Siegel). Green Bay (includes activities at Duck Creek). De Pere	13,894	1,152 4,056 942 1,997	589 2,078 472 979	368 1,524 263 646	67 130	59 117	9 12 15	11 10 4	9 10 7
Janes ville Kenosha (includes activities at Pleasant Ferry and Somers) La Crosse (includes activities at La Crescent, Minn., Omalaska, and West Salem) Madison (includes activities at Burke, MacFarland, and Sun Prairie) Manitowoe Marinette Menasha	21,371 30,417 25,531 13,027 14,610 6,081	1,997 7,642 6,043 4,174 2,534 4,027 1,420	4,141 2,965 2,105 1,258 2,059 661	1,401 1,759 1,174 789 1,544 257	534 120 238 136 71	183 111 160 56 68	100 15 22 9 7	23 15 9 22 1	75 26 12 10 15

State and city or town,	Population, 1910.		Foreign-born white males of voting age, 1910.		Naturalization papers filed in county July 1, 1916, to June 30, 1917.		Names furnished.		
	Total.	Foreign- born white,	Total.	Natural- ized.	Declarations.	Peti- tions.	De- clar- ants.	Peti- tioners.	Candi- dates' wives.
Wisconsin—Continued. Menomonie. Milford.	5,036	1,258	640	421	51	47	2	5	
Milwaukee (includes activities at East Milwaukee, town of Greenfield, and town of Lake) Wauwatosa Neenah	3,346	111,456 681 1,313	56, 101 325 637	26, 155 211 438	3,824	1,223	831	540	542
Oakland Oshkosh Port Washington. Racine (Includes activities of Lake Side) Rhinelander. Rice Lake (includes activities at Cameron, Canton, and Haugen)	33,062 3,792 38,002	7,406 889 12,509 1,366 708	3,598 534 6,590 753 381	2, 106 251 2, 834 336 258	8 212 34 721 40	12 157 27 229 19	44 115	28 87 1 1	41 89
Rome. Sheboygan (includes activities at Howards Grove, Kohler, and Mosel) Shell Lake. Stevens Point. Superior Two Rivers Washburn. Watertown. Watertown. Wausau (includes activities at Rothschild and Schofield). West Allis (includes activities at West Milwaukee).	26,398 902 8,692 40,384 4,850 3,830 8,829 16,560 6,645	8,667 1,712 13,772 836 1,158 1,949 3,918 2,420	856 8,201 461 631 914 1,920 1,491	2,061 516 3,735 117 438 608 1,310 386	273 15 41 384 96 135 157	80 11 41 142 55 250 117	26 2 29 4 7 12	23 8 66 1 2 20	20
Vyoming: Crosby. Hanna (includes activities at Elmo and Evansville)	0 10 10 10 10 10 10 10 10 10 10 10 10 10				32	3			
Hudson. Kemmerer (includes activities at Conroy, Diamondville, Elkol, Frontier, Glencoe, Oakley, Quealey, and Sublet). Laramie. New Castle. Rawlins. Sheridan. Sunrise. Suprise. Suprise. Suprior (includes activities at South Superior).	CALLED DAYS NORY	1,153 794 809	713 547 540	378 256 272	26 88 21 23 19 123 13 13	21 31 7 8 12 29 8 57	23	1	1
Total		8,528,196	4, 013, 125	1,774,947	395, 682	112, 163	44, 433	35, 200	34, 457
R	ECAPITULATI	ON.							
Jnited States proper	91, 972, 266 32, 984, 575	13, 345, 545 8, 528, 196	6,646,817 4,013,125	3,034,117 1,774,947	437, 368 395, 682	131,982 112,163	44, 433	35, 200	34, 45
Balance	58, 987, 691	4,817,349	2,633,692	1, 259, 190	41,686	19,819			

NOTE. - The total population, 32,984,575, includes population of places shown in parenthetic notes wherever such figures are available,

Mr. CHAMBERLAIN. Mr. President, we have in the Bureau of Naturalization an established agency, presided over by Mr. Richard K. Campbell as commissioner and Mr. Raymond F. Crist as deputy, two splendid men, who are doing most excellent work in this line, whose hearts are in it, and who have developed it to a wonderful degree in the past four years. I was handed this morning a pamphlet prepared by Mr. Crist entitled "An Outline Course of Citizenship to be Used in the Public Schools for the Instruction of the Foreign and Native Born Candidate for Adult-Citizenship Responsibilities." going to ask to have it printed in the RECORD, so that people may see it.

The PRESIDING OFFICER. Without objection, the request of the Senator from Oregon is agreed to. The matter referred to is as follows:

N OUTLINE COURSE IN CITIZENSHIP TO BE USED IN THE PUBLIC SCHOOLS FOR THE INSTRUCTION OF THE FOREIGN AND NATIVE BORN CANDIDATE FOR ADULT-CITIZENSHIP RESPONSIBILITIES.

[Prepared by Raymond F. Crist, Deputy Commissioner of Naturalization.]

United States Department of Labor, Bureau of Naturalization, Washington, January 12, 1916.

To superintendents of schools and others concerned:

To superintendents of schools and others concerned:

The Bureau of Naturalization transmits herewith an outline of a course in citizenship, which is designed for use in the education of aliens to prepare them for citizenship.

While this course in citizenship is prepared for the use of aliens who have indicated their purpose to seek American citizenship and since the functions of the bureau with respect to aliens begin at the time they indicate such purpose, it is nevertheless equally useful in preparing all aliens in such an intelligent comprehension of the principles of our Government as will give on the one hand some assurance of their good behavior while in the state of resident aliens and on the other hand will enable them at any time thereafter to acquire citizenship with a due understanding of the significance of such step. Furthermore, it is no less useful in the training of native-born citizens, who, upon reaching their majority, and without exertion on their part, will be clothed with all the rights of American citizenship. Its use, how-

ever, otherwise than in the education of the aliens who have signified a purpose to apply for naturalization, is a matter that is outside of the authority of the Bureau of Naturalization.

The Bureau of Naturalization is the only Federal bureau which, by express provision of law, is given administrative authority over "all matters concerning the naturalization of aliens." The matter most intimately concerning the naturalization of aliens." The matter most intimately concerning the naturalization of aliens." The matter most educaration that he is "attached" to those principles; for unless a court is satisfied in the case of any applicant by affirmative evidence that he is so attached, that court has no authority to naturalize such alien. It is to insure the possession of this qualification by the only known means, to wit, that of appropriate training, that the Bureau of Naturalization, realizing its responsibility, has prepared this outline of a course for instruction. Since it is given, in the language above quoted, an express authority upon this point, and therefore an express duty which excludes any other agency of the Government from such specific undertaking where such other agency has a general authority over the subject of education, the bureau has adopted this procedure. In every other vocation or calling of life great effort has been put forth to insure a complete mastery of its details. This is true of every yprofession, trade, occupation, or calling save that highest of all professions, the profession of self-government. You, and the schools under your supervision, are in cooperation with the National Government, through the Bureau of Naturalization, in a systematic effort has been put for their instruction.

The candidates have come to school with the statement that they have come because the United States Government wrote them letters and asked them to come. They will come all the more readily and that the United States Government, through the same bureau which invited them to go to school, has sent

You are strongly urged to call upon the teachers to make careful notes of their experiences in the application of this course during the present scholastic year. It is desired that these notes be formulated in a report by you upon this course, and that this report be forwarded to the Bureau of Naturalization at the end of the present scholastic year. Assurances have been received from the superintendents of the schools of the principal cities of the United States that reports will be made by them. These reports will be assembled and presented in consolidated form in this bureau, it is purposed to call together the teachers and superintendents in all of the cities and towns in cooperation with this bureau in convention in the city of Washington during the week of July 10 next to formulate a course in citizenship representative of their best thought. This course will be based upon the experience of this year's observations.

The week of July 3 to 8. The railroad fare to New York and return by way of Washington City will be no greater, except in the eastern parts of the country, than the round-trip fare, with returning stopover privileges in this city. In addition to formulating a perfected course in citizenship instruction, it is also desired to exhibit the work of the students who have pursued this course of citizenship instruction, and you are requested to preserve samples of their penmanship, original composition, and other work and submit them with a brief sketch of the life of the candidates performing the work.

It is also desired to exhibit photographs of the classes and of the entire school body in general assembly in any building. If arrangements can be made to assemble the entire student body in an out-of-doors gathering for photographing, this should be done. The bureau is preparing to furnish motion-picture exhibits of naturalization proceedings and of various phases of entry through their various stages of work in the shops and factories and in their homes to show conditions of improvement that have

RICHD. K. CAMPBELL, Commissioner of Naturalization.

AN OUTLINE COURSE IN CITIZENSHIP TO BE USED IN THE PUBLIC SCHOOLS FOR THE INSTRUCTION OF THE FOREIGN AND NATIVE BORN CANDIDATES FOR ADULT-CITIZENSHIP RESPONSIBILITIES, PREPARED BY RAYMOND F. CRIST, DEPUTY COMMISSIONER OF NATURALIZATION.

AN OUTLINE COURSE IN CITIZENSHIP TO BE USED IN THE PUBLIC SCHOOLS FOR THE INSTRUCTION OF THE FOREION AND NATIVE BORN CANDIDATES FOR ADULT-CITIZENSHIP RESPONSIBILITIES, PREPARED BY RAYMOND F, CRIST, DEPUTY COMMISSIONES OF NATURALIZATION.

This course is offered with the understanding that in many respects it is imperfect. It is in part a compilation of practices which have been in use for some years in various public schools. This course presents the mature conclusions of the National Government, as represented by the Bureau of Naturalization, after a study of over a decade of the existing relations of the Government with the resident foreign body. A new relationship must be established. It should be based upon intelligent mutual understanding and knowledge of the respective hopes and aims of the resident alien and of the Government. Restriction and repression, entirely out of all proportion to their importance, have been in evidence. The purpose of this outline is to lead to the establishment in the curriculum in each of the public schools throughout the entire country of a course in elizienship training applicable to the candidate for adult-citizenship honors, privileges, and responsibilities, from whatever origin he may come. It is a recognition of citizenship and an emphasis of the mutual helpfulness, assistance, and alid inherent in this National Government. This course is submitted in response to the demands upon the ship. These calls have been presented to that course in citizenship. These calls have been presented to the course of government.

This course is submitted in response to the demands upon the public-school authorities, chambers of commerce, and by patriotic, labor, fraternal, industrial, commercial, and other organizations from many parts of the country. It is issued by the Bureau of Naturalization shall have charge of all matters concerning the naturalization shall have charge of all matters concerning the naturalization shall have charge of all matters concerning the naturalization shall hav

mitted—to wit, an earnest purpose for united cooperation between the public schools and the National Government for the solidarity of American citizenship—because of such features of value as it possesses notwithstanding the admitted presence of defects. All are urged, therefore, to become fully conversant with this outline, so that in its application to the student body it may be broadened in its scope and applied so as to arouse among them an enthusiastic response. By the loyal and faithful support of the public schools to the United States in this the first cooperative movement ever perfected for them with the National Government the value of this course will be increased, its weaknesses strengthened, and the undesirable portions eliminated. All branches of pedagogics owe their present perfectness to that same devoted intelligence to which this course is intrusted.

spoise. By the loyal and faithful support of the public schools to the United States in this the first cooperative movement ever perted the content of the

The true basis for classification of adult foreign-born students is their educational development. Students should not be classified by nationality. A great deal has been expressed in favor of the classifi-

cation of students by nationality and their instruction by one of their nativity by reason of the bond of sympathy of the common tongue. The inherent, fundamental weakness of this is shown by stating that such segregation means perpetuating the national groupings instead of merging them into one common American nationality. No greater bond is recognized than that of a common tongue. None has a stronger desire for the development of that bond than the non-English-speaking foreigner. No greater tie of sympathy can be found than that which grows up between the intelligent, patriotic, and devoted American school-teacher and his foreign-born non-English-speaking students through the acquisition of our tongue. We do not need to import individuals to teach American institutions and instill American patriotism in the mind of the candidate for citizenship. Segregation imposes an unnecessary burden. The student has far more interest in learning what the teacher has to impart than what nationalities his fellow students represent.

The students should first be assembled regardless of sex or nationality, although the women may be separately taught where conditions admit. The classification should be (1) those who can not speak English, and (2) those who can speak English. A closer subdivision can later be resorted to if desirable. Those who can not speak English may or may not be able to read or write. Soon the necessity will arise for a regradation—elementary, intermediate, and advanced. Upon this basis the following outline is submitted.

THE ELEMENTARY GRADE,

Knowledge, elementary. Purpose, equip as quickly as possible with a practical working vocabulary.

Individual notebooks should be obtained immediately and copious

use early required.

BRANCHES FOR STUDY.

1. Conversation. 2 Reading:

3. Language forms and idloms. 4. Phonics.

5. Spelling. 6. Writing. 7. Memory gems. 8. Simple number work.

CONVERSATION.

READING.

The conversation and blackboard work, as above suggested, naturally will earry over to reading from the printed page, charts, and textbooks. The aim, of course, is to give command as quickly as possible of the printed page. Have the pupils each bring a copy of the same edition of some daily newspaper to the classroom to read and to discuss the topics read. Let discussions be undertaken at the earliest moment. The subject matter of the printed page should also be used in conversation in order to be sure that the students are comprehending the thought and not merely pronouncing the words. Biographies of foreign-born Americans of former days should be read and discussed to inspire the student to his maximum interest and effort.

LANGUAGE FORMS AND IDIOMS.

These should be carefully noted both in the conversations and in the reading and should be written upon the blackboard and in the notebooks. The students should be drilled on model forms of simple language, both in speaking and in writing, using blackboard and notebooks. Here the teacher should commence the mind training in the discriminative selection of healthful reading matter, beginning with the daily press or other simple subject matter, Discussion of the comparative values of the best newspaper and other articles with the worthless should follow under the guiding intelligence of the teacher. The teacher should assign topics to the students for discussion, laying the foundation for future debates upon public questions in the succeeding periods of study. The newspaper should be used constantly in language lessons. It is universal in subject matter and most inexpensive

The analysis of words by sound can begin profitably much earlier in the teaching of the adult classes than with children. It is imperative that it be undertaken from the beginning and that upon such analytical work there be daily drill upon the sound values of both yowels and consonants. In teaching sound values there should be kept upon the blackboard a considerable list of words containing the particular letter whose sound is being taught. Excellent books on enunciation and articulation are available for the teacher. It is essential that the teacher articulate slowly and distinctly, especially all final consonants, whether at the end of syllables or of words. In learning to pronounce the English language it is vital that the correct relation of the letters to the words be learned at the beginning. To train the ear, the individual should repeat the word after the teacher until the ear catches the true sound and it is reproduced by the student. Every foreigner wants to learn to speak English with the American accent.

SPELLING.

The words chosen should be those used in conversation and in reading. Dictation should be freely resorted to. The words taught should be carefully listed by each teacher and student. Emphasis should be placed upon words in common use. A list of such words as a measuring scale of ability in spelling, issued in 1914 by the Russell Sage Foundation, has been recommended. Spelling bees are used with excellent results.

WRITING.

This can be taught from the blackboard, but should be supplemented by the use of leaflets showing penmanship forms to be furnished each student and used in home work. Startlingly rapid progress is made through the home practice work. In the elementary schools the prin-ciple of home work which is early applied in the training of the

adolescent mind is no less applicable to the adult mind. Practical tests in writing dictation in language work and original composition should be practiced later.

MEMORY GEMS

These are of much value for pronunciation and for the acquisition of a vocabulary. They should be chosen with special reference to the building up of high ideals of character and of conduct in the minds of the students. Patriotic poems and songs should be learned, and the singing of "America," "Hail Columbia," etc., should occur at each

SIMPLE NUMBER WORK.

. This should be given not for the teaching of arithmetic in itself merely, but for the teaching of the language of numbers to the advantage of the students in their daily experiences.

THE INTERMEDIATE GRADE.

The same general methods should be followed in this grade as in the elementary grade, selecting for instruction subjects of a more advanced nature.

CONVERSATION.

CONVERSATION.

The topics of conversation naturally will be chosen from the reading matter and from the daily experience of the students. Conversation lessons are extremely important and should receive careful daily preparation on the part of the teacher. Periods of open conversation among the students on topics of common cancern will be found to increase the interest of the class, and produce the desired spirit of homogeneity and congeniality, and lay the foundation for their American unification. Continue the use of the daily press, broaden the scope in American biographical studies, and at the same time require the students to read from the various readers.

READING.

In this grade the pupils should read from the somewhat advanced readers that are prepared for teaching English. Geography and history, especially United States history, are of absorbing interest to the students. Patriotic poems should be read, studied, and the best of them memorized.

LANGUAGE FORMS AND IDIOMS.

In this grade emphasis should be laid as early as admissible upon the correct use of words and upon the inflections of neuns and pro-nouns, etc. Letter writing, consisting of simple business and social letters, will be found desirable along with reproduction exercises.

PHONICS, SPELLING, AND WRITING.

These subjects in advanced form should be presented as in the elementary grade. MEMORY GEMS.

These should be taught as in the previous grade, but with a broad-ened scope.

UNITED STATES HISTORY. The teaching of this should be based upon reading elementary histories of the United States. The teacher should cause discussions of various chapters of American history. This will develop the instinct for the further use of the schoolroom for discussions of public questions and wil, be aided by the assignments of students and topics. The students should be stimulated to select their own topics from each subject and full discussions of these selections obtained.

CIVICS.

This chapter should be very generally presented by the teacher solely as preliminary to the course in citizenship for the advanced student, so as to enlarge the field of vision preparatory to full participation by the members of the student body in the activities of the citizenship course embraced in the year preceding admission to citizenship. The entire student body should be urged to obtain from the libraries such books as present the principles of the three branches of our Government.

The following outline is submitted as an indication of the subject matter for the teacher in presenting the subject of civics:

1. General principles of government: Necessity of laws for establishment and development of government. Protection of society and individual; its purpose to aid in matters of health, life, property, business, education, surroundings, and environment. Sources of laws: Constitution, franchise, legislation, admistration, adjudention, citizenship, political parties. General governmental divisions: City, county, State, Nation.

2. The city government: Executive—The office of mayor or commissioner and its functions; various departments and their functions. Legislative—Aldermanic or councilmanic. Judicial—Courts of the city.

city.

Emphasize conditions to naturalization, suffrage qualifications, and the obligation resting upon each individual to perform his part as a good citizen.

THE ABVANCED GRADE.

CONVERSATION.

The students in this grade should be able to carry on, with a fair degree of facility, conversation concerning any topic with which they are familiar. Use topics of current events having a bearing upon good citizenship as subjects for discussion and debate. Make a persistent and free use of that inexpensive medium, the daily newspaper, for topics for frequent discussions, making them short and pointed, to develop powers of ready expression of the mind.

READING.

Students of this grade should be able to read with a fair degree of proficiency. Train more or less in stient reading and test the comprehension of the reader by requiring him to tell the class what he has read. Supplementary readers in civies. American biography, geography, bistory, literature, and science are useful for this class. Guide the students to the selection of good books from the public libraries; encourage them to bring such books to class, to report to the class the general plot, and especially interesting and important parts of the books in which they are interested. Do not abandon the daily newspaper.

LANGUAGE.

The elementary principles of grammar may be effectively taught from the language lessons, both oral and written, and by continuing drills in models of ordinary English develop a keener sense of sound discernment to operate in correcting their English and producing the American accent. The essentials to be taught are the different kinds of sentences and the adjective and adverbial idea in the use of words, phrases, and clauses; different parts of speech and their functions; inflections of nouns and pronouns; the principal parts of the more

common irregular verbs. Grammar thus taught becomes not an end in itself, but a means to show the students why they use the kind of English they have been taught to speak. Instruction should be oral, with outline placed on blackboard to be copied in notebooks by the

PHONETICS, SPELLING, AND WRITING.

These subjects should be presented as in preceding grade. Occasionally there should be a few minutes' drill on the more difficult sounds of the English language by means of word lessons involving these sounds. Be particularly careful not to let incorrect articulation, enunciation, or pronunciation pass unnoticed.

MEMORY GEMS. As in preceding grades.

UNITED STATES HISTORY.

This should include the study of more advanced textbooks. Care should be taken to emphasize the more important steps of development in our country's history and to leave in the minds of the students a clear picture of its several periods of development, as (1) the early history and settlement of America; (2) the Revolutionary War, its conditions and causes; the Declaration of Independence should be read thoroughly and its principles discussed; (3) the formation of the Constitution of the United States and the development down to 1860, including (a) means of transportation, (b) inventions, (c) increase in manufactures, (d) growth of population; (4) the economic development of the North and South, contrasted in the light of slavery, as a background to conditions and causes leading up to the Civil War; (5) the Civil War, its causes, results, and significances; (6) the development of our country since the Civil War, politically and industrially; emphasize the significance of immigration in this development not only from the standpoint of our industries but from the standpoint of our political institutions; (7) encourage the students to use the public libraries in consultation of historical authors; endeavor in the teaching to raise problems of interest for discussion by the students; this can only be accomplished in full by their consistent participation in free and mutual discussion of each topic as it is presented and studied.

CIVICS.

- CIVICS.

 Review briefly the topics of the previous grade. Let the presentation of each of these subjects be free discussion by all. Make assignments to students who are not participating.

 1. Explain the naturalization laws.

 2. The qualifications of a voter.

 3. Primary and final election laws, and the importance of independent judgment on the part of each citizen in registering at the primary and final elections his choice of candidates for the various offices.

 4. The short ballot and its significance; the Australian ballot, 5. The significance of the initiative, referendum, and recall.

 6. Extend the relation of local government to the (a) county, (b) State, (c) National Government, explaining the forms and functions of each kind of government.

 7. This will lead naturally to the study of the Constitution of the United States, (a) its origin and (b) its provisions.

 8. Compare our form of representative government with the forms of government of the leading nations of Europe and explain the full meaning of democracy.

 9. From such comparison deduce the responsibility resting upon every citizen of this Nation to see that able and honest men are put into office. In teaching civics the chief emphasis should be laid not upon the forms of government but upon its functions and its practical workings.

CITIZENSHIP LABORATORY,

CITIZENSHIP IN THE CITY.

Assemble the classes of each school building in one room, men and women together, and tell them that they represent the city, that they will soon become citizens of the United States, and that they are to learn how to assume the responsibilities and rights and perform the duties of citizenship. For this purpose they are to be considered as the entire adult voting population of the city. Briefly outline the form of government in the city, defining the offices of mayor or commissioner, councilman, alderman, or their local equivalents, the various administrative departments of the municipality, and describe the city judiciary. Explain how these offices have been filled by their incumbents and the relation of the individual voters to the incumbents.

DUTIES OF OFFICIALS OF CITY.

The mayor and other officials of the city government should be prevailed upon to define fully the duties of their respective offices. All of this will be most interestedly and profitably received by the students, who should be encouraged to make as extensive notes as possible, and will prove a source of inspiration to those officials who are prevailed upon to address the student body upon the duties of their respective offices. The President, in his address to the newly naturalized citizens in Philadelphia on May 10, 1915, said, "I feel that it has renewed my spirit as an American to be here."

DISCUSSIONS.

Discussions of the subject of each of these addresses should be engaged in by the student body after each talk, and the duties of the offices debated so as to fix them in the minds of the prospective citizens. Outline for discussions will be found later in this course.

FRANCHISE AND BALLOT.

After the dutics and responsibilities of the different offices of the city government have been described by the incumbents of these offices or their representatives, and the student body has fully discussed these subjects with evident understanding, the students should be assembled for instruction in the franchise, its rights, powers, purposes, and uses. The ballot, in the exercise of the franchise, both in primary and final elections, should be made known to them and the necessity for purity in its use fully dwelt upon by the teacher, followed by discussions upon the franchise and the ballot and their relation in this country to government and to the individual citizen; the good that will flow from its wise and proper use, and the evil from its unwise and improper use emphasized; the purposes and powers of the ballot and its relationship to the election of municipal, State, and National officials clearly shown.

Each of these subjects should be fully discussed and debated by pupils. In their treatment the teacher should always keep prominently in mind the necessity for developing the sense of individual responsibility and relationship to the whole political organization. Assignments of subjects should be made by the teacher so as to include and stimulate the diffident and backward to a participation in this work.

NOMINATIONS AND ELECTIONS.

Nominations and elections.

When understanding has become general throughout the student body its members should be required to put into practice the lessons which they have learned. The necessity for purity of the ballot should again be fully emphasized. As an entire body they should be told that they will be expected to make use of their knowledge of the franchise and of the use of the ballot and will be guided through the steps of electing of the control of the convention and primary methods they should be allowed and urged to exercise the utmost freedom in their choice of method.

Self-government should be the keynore in this entire course and should entaged to the convention and primary methods they should be allowed and urged to exercise the utmost freedom in their choice and should not dominate but steady and guide the students in their endeavors to emerge from their ignorance of our institutions into an intelligent comprehension of them. The only functions which the teacher should exercise in this stage of the course are to insure ward ones to participate in some manner in the consideration of the saubject, and to urge full discussions of both the qualifications of the candidate and the duties of the office, so as to bring out prominently the cardidate and purpose of each election, both for the primary and final elections if the primary form of nomination should prevail. The purpose of this election is to remove the preconcelved notions of govern-should be appointed for the election, both for the primary and final elections if the primary form of nomination should prevail. The purpose of this election is to remove the preconcelved notions of govern-should be appointed for the election, both for the primary and final elections if the primary form of nomination should prevail. The purpose of this election is to remove the preconcelved notions of govern-should be included and the proper should be allowed the proper should be included and to use the proper should be included and to the proper should be allo

the possibility of confusion from regarding this as usual in general elections.

Induction into office: Upon election the mayor should be escorted forward by members of the student body and with suitable ceremony inducted into office by the administration of the oath of office by the teacher. The custom usually prevailing should be followed, and the oath to well and faithfully perform the duties of the office should be administered in the presence of the entire school body. The teacher should place the burden of the responsibilities upon the student body and the mayor, who should preside at all subsequent general assemblages of the student body as one of his official duties.

Election of other city officials: As they have all learned of the duties of the officials of the departments of city government, the members of the student body should next select their city legislators and organize the appropriate departments of city government and select their respective heads. This should include at least the health department, police department, and judicial department, with such others as local conditions may justify. In the election of the aldermen or city legislators the unit of representation should be the classroom, one or more representatives from each class being determined by the mobility and efficiency of the entire body.

Duties of city legislative body: The legislators should formulate rules of government for the observance of the student body. These rules should apply to the conduct of the students in and around the school buildings, relate to the disposition of their outer clothing, deportment in the classrooms, promptness and regularity of attendance, participa-

tion in debate (to insure sharing in the exercises by each member of the entire school body, even though but slight participation should result on the part of some of the most backward and diffident), and with special attention to rules requiring the students to bring in the large number of alien residents to the night schools. The advantages to be gained from this are too great and vital, too far-reaching in their effect for most substantial good, to pass by without a consistent emphasis being laid upon its accomplishment. The teacher should have papers prepared and debates arranged upon such topics as "Why should each student bring a new student?" and kindred topics. They should formulate rules governing their conduct in the places of their vocation, in their homes, and on the street, and rules relating to sanitary habits and practices.

in their homes, and on the street, and rules relating to sanitary habits and practices.

Discussions: These rules should be discussed as much as possible in the entire assemblage. They may be worked out, however, in committee. The students should be given to understand the various methods and be permitted to tollow their own choice of proceeding as long as progress is made.

Papers dealing with housing, with especial reference to tenements, large and small, should be prepared and read by the students. This is referred to because of its intimate relation to the resident foreign body. The laws governing tenement houses, especially with relation to sanitation, should be made known to them and their merits discussed, in order to bring home to the individual his relationship to this phase of law and order for the betterment of his home life.

The police department should be required to see that the rules are observed and the judicial department to impose penalties for failure of observance of the rules. The development of a regard for law and order and individual responsibility for their maintenance should be established.

Other branches of government of intimate concern to the resident

Other branches of government of intimate concern to the resident foreign body, such as recreation grounds and park commissions, should be brought prominently before the students.

Appointive offices: When appointive offices are to be filled by the mayor care should be taken to see that national lines do not influence the selection, but that, so far as possible, the class standing should have its place.

From the foregoing it is seen that the laboratory has been made possible. The efficiency of its working is dependent largely upon the inspiration received by the students from the school authorities. This is the first opportunity presented to the entire system of the public schools for a direct cooperation with the National Government where the efforts of these two agencies are linked together. Each superintendent of schools, each principal of schools, each teacher of the public schools is called upon to lend his highest and most intelligent effort to the perfection of this course by its thorough application. This call is made with the full knowledge that there is sufficient patriotic devotion to the cause of citizenship in each public-school teacher to insure its success and the development of this course to that state of high efficiency which characterizes every other vocation and profession except that of the profession of American citizenship. With the combined effort of all public-school authorities with this branch of the National Government success is assured.

The students should be taken into the public buildings and administrative offices of the city, so that they may become actually acquainted with the purpose of the buildings and the machinery of the municipal government. SUMMARY.

No elaboration has been undertaken of county. State, and National Governments, partly because the new citizen will exercise the rights of citizenship oftener in the city in which he lives than in any other relation to government. The analogy of county, State, and National Government can readily be shown, so that he will not lose sight of his vital relation to the State and Nation.

CLASS ALUMNI

When the students have completed their course and become citizens their experiences in the classrooms should induce them to return and further participate in this work, so that the schoolhouse may be felt by them to be the legitimate place of assemblage for discussion of questions of public policy. This spirit should be inspired by the teachers during the early period of this course and be so developed as to bring about this result. Alumni or other public nonsecret organization should be encouraged to implant in them a love for this, the aima mater of their school of American citizenship.

The public schools have taught virtually every other subject relating to the vocations of life and they have developed these courses to the highest efficiency. These various phases of the city government are outlined generally with the knowledge that the local offices of the city government may differ in principle as well as in particularity. This is submitted, however, for adaptation to local conditions.

Outline of topics for presentation by officials and discussion by student body.

CITY GOVERNMENT.

EXECUTIVE BRANCH.

Mayor: Duties and responsibilities, patronage, veto power, general powers. Relationship to board of aldermen, common council, or similar body regarding commission form of government. Relationship to Chief Executive of Nation and State.

LEGISLATIVE BRANCH.

The common council, the general lawmaking branch: Composition, total membership, number for each ward, how chosen, term of years, powers and functions. City ordinances: Ordinances relating to welfare, business, property, and finances of community; preservation of order: suppression of vice; regulation of places of amusement, saloons, weights and measures, building operations, charitable organizations; licenses of vehicles, pawnbrokers, etc. Relationship to revoues and expenditures, to various administrative departments of the city, to State legislative power.

Judicial Branch.

JUDICIAL BRANCH.

Administrative head: Magistrate courts, police courts, higher courts, juvenile courts. Describe each court; show necessity for maintenance of public order; benefit to city; to individual. Jurisdiction of courts; source and tenure of office; source of revenues; method of expenditure; relationship of individual to revenues and expenditures.

Jury: Qualifications, duties, individual privileges, rights, and responsibilities of juror in determining facts; relationship to the court in defining and determining questions of law in a given case.

SOME TYPICAL DEPARTMENTS OF THE CITY GOVERNMENT.

Pollee department, fire department, health department, street and park department, education department, water department, tax department, excise department, law department.

Pollee department: Administrative head. The individual policeman's duties as a guardian of safety rather than a minion of the law, the oneness of purpose of the police officer and law-abiding, peace-loving individuals. Location of precincts. Individual protection at home, in the shops, on the street, at night: benefits to the individual; necessary for life of city. Penal institutions, their management, purpose, necessity, source of revenue, method of expenditure, relationship of individual to revenues and expenditures. Bring in the police to aid firemen in fire drills for better acquaintance with helpful side of police force.

men in fire drills for better acquaintance with helpful side of police force.

Fire department: Administrative head. Fire chief, duties and powers. Firemen and duties. Safety first—care of matches, care of inflammable and combustible material; safety in keeping matches in receptacles away from children; teach fire precaution. Have fire drills under personal supervision of member of fire department for double purpose of training the foreigners to escape from a burning building and of allowing them to become closely associated with firemen in order to teach them calmness in time of fire. This latter is very destrable, as over 80 per cent of our foreign-born residents are employed in factories, mills, mines, etc., where at times the loss of life in fires on account of panic has been appalling. Location of fire-alarm boxes; demonstrate how to ring and call by phone.

Health department: Administrative head. Collection of refuse of various kinds; sanitation in the schoolrooms, homes, workshops, and on the streets; ill effects which will follow failure of these activities. Source of revenues, method of expenditure, relationship of individual to revenues and expenditures. Safeguarding health of communities and individuals by requirement of pure food; enforcement of regulations regarding contagious diseases; medicine and medical aid to indigent sick; free hospitals and free clinics. Emphasize personal cleanliness by elaboration, individual observance of health regulations, and practical benefits in avoidance of ordinary sickness and contagious diseases.

Street and park department: Administrative head. Personnel, source and tenure of office. Eucletions: Traffic regulations opening.

cleanliness by elaboration, individual observance of health regulations, and practical benefits in avoidance of ordinary sickness and contagious diseases.

Street and park department: Administrative head. Personnel, source, and tenure of office. Functions: Traffic regulations, opening of new streets, repairing pavements (both street and sidewalk), franchises for street railways, public lighting, antispitting regulations, street cleaning, public recreation grounds, city beautifying, trees, etc. Attitude of individual to civic cleanliness, keeping streets clear of skins, paper, and other waste; benefits derived by the individual as well as the municipality. Source of revenues, method of expenditures, relationship of individual to revenues and expenditures.

Education department: Administrative head. Constitution of department. Source and tenure of office: powers and duties; provide school buildings and their equipment; teachers; textbooks and other supplies; course of study and general administration; source of revenues, method of expenditure, relationship of individual to revenues and expenditures; construction and relationship of entire system. Board of education, general superintendent, day superintendent, night superintendent, supervising principals, principals of schools, teachers, students. Present in a practical manner the advantages of public-school instruction to the individual and its relationship to their everyday life, explaining any embarrassment as to insufficient funds, the necessity for extending the night schools to the same time that is devoted annually to the day course, with special relation to citizenship and the system of the Bureau of Naturalization, based upon the monthly fling of declarations of intention and petitions for naturalization and the monthly transmission of the names of these to the school authorities, so as to show the necessity for and advantages of conducting the schools from the 1st of October until the end of June, all leading to the objective of having certificates of gr

nues and expenditures.

Tax department: Administrative head. Revenues, sources, necessity, relationship to individual.

Excise department: Administrative head. Control over issuance and revocation of licenses for intoxicating liquors; cost of licenses.

Law department: Administrative head. Relationship to contracts for public construction and prosecution for the people of offenders. City comptroller; source and tenure of office; functions. City auditor; source and tenure of office; functions. City treasurer; source and tenure of office; functions of and necessity for observance of law.

County Government.

COUNTY GOVERNMENT.

Teach geography, nature of various industries. Teach city and county government, showing lines on which they parallel and analogles of laws Administrative officers, their sources and tenures of ofice, their functions. Describe governments of communities throughout county and their relationship to the entire county organization, county roads, bridges, buildings, hospitals, development, control, and management, both as to personnel and methods, ways and means of administration of county government.

STATE GOVERNMENT.

Analogy to city and county governments, respective jurisdictions, and rights and powers of each. Location of State capital.

EXECUTIVE BRANCH.

Chief executive; source and tenure of office, authority, functions of office, constitutional and legal functions, and authorities.

LEGISLATIVE BRANCH.

Period of meeting. Functions of the legislature. Following course of bill from introduction through the various stages to the final enactment and approval by the chief executive.

Houses of legislature: Upper house (senate): Presiding officer, composition of membership, source and tenure of office, representation of the State, extent of constituency, districts. Lower house (house of representatives, assembly, house of delegates, etc.): Apportionment of members, source and tenure of office, composition of assembly as to numbers, and apportionment to population.

JUDICIAL BRANCH.

Courts of original, appellate, and supreme jurisdiction.

NATIONAL GOVERNMENT.

Analogy to State and city governments; respective jurisdictions; rights and powers of each. Location of National Capital. Source of power. Outline colonial history, period under Articles of Confederation, period under Constitution, using textbooks approved by local educational authorities.

EXECUTIVE BRANCH.

The President; voters' Electoral College; tenure of office; Cabinet advisers; powers and duties of the President.

Executive departments: Department of State, Department of the Treasury, D-partment of War, Department of Justice, Post Office Department, Department of the Navy, Department of the Interior, Department of Agriculture, Department of Commerce, and Department of Labor.

LEGISLATIVE BRANCH.

The Congress of the United States, two Houses. Periods of meeting, Functions of Congress as a whole. Trace course of bill through both Houses, showing origin of all revenue measures in the House of Representatives, and various stages through to Executive approval of each bill in its enactment into law. Powers of Congress. Place of meeting in Washington, the Capital of the Nation.

Senate. Presiding officer: composition of membership; source and tenure of office; Members representatives of the States; functions.

House of Representatives: Apportionment of Members by population; Members representatives of the people; source and tenure of office, presiding officer, functions.

JUDICIAL BRANCH.

Supreme Court of the United States, nomination by President, confirmation by Senate. United States circuit courts of appeals, United States district courts. Court of Claims, Territorial court, United States commissioners. Jurisdiction of various courts.

POLITICAL PARTIES.

commissioners. Jurisdiction of various courts.

Relationship to individuals, powers of their expression of desires for specific laws and on political questions. Nominations by convention, by direct primaries: platforms, registration, the ballot. Necessity for parties in representative government. Distinguish between local and National Government; show need of intelligent citizens.

The interest of the National Government in the well-being of the candidate for citizenship should be pointed out, dwelt upon, and kept constantly before the student body, as the influence of national government is strong upon all foreigners by reason of its general absoluteness and force as felt by the subject of any nationality in his relation to government in the old countries. The importance of the certificate of graduation which the Bureau of Naturalization will furnish, and its issuance by the Federal Government jointly with the State government should be so presented that regard for it will be enlarged and the highest enthusiasm and interest stimulated in the candidate by the receipt of this certificate of graduation. Students should be given to understand that it will represent efficiency on their part and will be given only to those who are proficient. Its presentation should be realize that the Federal Government will be ready to stand by all who pursue the entire course and attain high proficiency in speaking, reading, and writing our language and acquire an intelligent understanding of our institutions; that it will bring them to the attention of their employers to secure recognition of their higher efficiency, and will also endeavor to aid them in their ambitions and advancement not only in this but in bettering their condition in other fields of activity. The importance and value to the individual in relation to his personal advancement of a thorough mastery of English and the citizenship branch of this course should be constantly held before them to stimulate them to the highest degree in both attendance upon the classe

Fundamentals for the American home.

Fundamentals for the American home.

Women should be encouraged to participate in all of the foregoing as far as practicable in common with men. This applies to all places, regardless of whether the women have the right of suffrage, but particularly where women are voters. It is not the purpose to develop the desire of suffrage, but to bring the women out of the European and foreign atmosphere into the very heart and soul of things American. Emphasis is laid particularly upon this so as to insure an extension of the influence of the school to the other foreign-born women with whom the women in the classes come into daily contact and to have them inspired to enter the sphere of this Americanizing influence.

Domegrate April and Science.

DOMESTIC ARTS AND SCIENCE.

DOMESTIC ARTS AND SCIENCE.

The following course in domestic arts and science is a presentation of the subjects which are now actually being taught in the most important cities of the United States and some of the smaller but more advanced cities and towns. No instance, however, is known to this bureau where a city or town is teaching all the subjects presented herein. The Bureau of Naturalization is therefore fulfilling its function as announced by the Department of Labor "as a clearing house of information on civic instruction."

For convenience this chapter is presented under the two heads of "Domestic arts" and "Domestic science."

DOMESTIC ARTS.

Plain sewing, advanced sewing, dressmaking, costume designing and coat making, tailoring, millinery, crocheting (elementary and advanced), art needlework, lace making, embroidery.

Plain sewing: (a) Elementary work for beginners in cutting, fitting, and constructing simple garments; patching; darning. (b) Advanced work—Dressmaking, waists, skirts, dresses, buttonholes, ribbon and flower work.

Sewing—Hand and machine work: (a) Elementary—Sewing and adjusting of commercial patterns; cutting and fitting new and renovating and remodeling old garments. In this work the individual should bring her own garments or those of her family. The following is a suggestive list: Waists, using thin material and demonstrating buttonhole work; petticoats, ruffling; skirts, outside and of wash material; seam finishing and fastening; children's plain garments; corset covers and underwear; household articles. (b) Advanced—Making new garments of cotton and woolen material and renovating and remodeling; tailored shirt waists; plain dresses of wash material; tailored skirts of woolen mate-

rial; advanced and original work in one-piece dresses of gingham, percale, cotton, cotton voile, lawn, poplin, linen, foulard, and woolen materials; children's plain garments.

Millinery: Making and trimming hats. Instruction should be under competent and experienced trade milliners, to equip the student to become a more intelligent judge of materials and of values and costs. Demonstrations should be made of various articles both in millinery; and in piece goods. A cost system should be evolved. A value should be placed upon the time of the student, to be computed in the cost of production of the article. The most practical step toward the development of American appearence will be a discussion of the benefits of remodeling and renovating of millinery. The individuals should be led to use their own hats in work, after the method prescribed in the sewing classes. Interest will at once be aroused in the transformations in the headwear and clothing when the possibilities are ascertained and accomplished under the guidance of the milliner and sewing teaching.

DOMESTIC SCIENCE.

Table service; bread making, cake making, family cooking; elementary food selection (buying and preparing taken up by meal sequence); advanced cookery, fancy cookery practically taught, invalid cookery, nurse cookery, quality cookery; home economics; household chemistry and physics and sanitation; catering; homemaking and housekeeping; household accounting; furnishing and decorating; musle, dramatics, household arts; physical culture.

In practically every school where domestic science is taught a well-formulated plan has been adopted. The Bureau of Naturalization therefore recommends the continuance of the prevailing plans with enlarged scope, and that a chapter be devoted to domestic arts and science in the reports (for which desire has heretofore been expressed) to be made by the schools to the superintendents and by them forwarded to the Bureau of Naturalization at the termination of the present scholastic year.

The branches of domestic science in themselves suggest too clearly the line of development to necessitate a detailed presentation in this outlined work.

Neatness and hygiene in the home and of the person should be taught. Emphasis should be laid upon commencing in earliest child-

nood.

The following publications are available upon application to the Bureau of Naturalization: Prenatal Care, Infant Care, Baby-saving Campaigns (for cities), Baby-saving Work (for small towns and rural districts), Child-welfare Exhibits.

Mr. CHAMBERLAIN. There is not any suggestion in that document to indicate that they have interfered with the normalschool courses in this country; there is not any suggestion that they try to teach the colleges of the country what sort of a curriculum they shall have; it is simply a plain statement of the duties of citizenship addressed to the plain man, the uneducated man, if you please, the laboring man, the man who has not the time to figure on colleges and on the schools or anything else, but simply wants to learn the fundamentals of the American Government and citizenship, so that he may get out his final papers and so become a useful American citizen.

Mr. President, I have already taken more of the time of the Senate than I ought to have taken. I am going to move to amend this bill at the proper time, to carry out the suggestion which I have in mind, and that is to eliminate everything from it except the skeleton of a bill, which will not interfere with or conflict with the law now on the statute books that provides for the education of aliens under the act of June 29, 1906, as amended by certain later acts authorizing the Bureau of Naturalization, under the direction of the Secretary of Labor, to take charge of these matters.

Mr. KING. Mr. President—
The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah? Mr. CHAMBERLAIN. I yield.

Mr. KING. I hope the Senator will not do that; I hope he will vote with, I think, a majority of the Members of the Senate to defeat this bill, as it ought to be defeated, and then, if necessary legislation shall be required, that a proper measure, after due consideration, may be brought out for the consideration of the Senate.

Mr. CHAMBERLAIN. Yes; I shall follow that course, but it is perfectly proper to try to amend the bill so as to make it as good as possible, and then vote to defeat it.

May I say in conclusion that the Provost Marshal General advises me that he has no statistics as to illiterates of the draft age, but I have obtained the following from the office of the Commissioner of Education:

Forty-one thousand nine hundred and fourteen of those certified in the first draft were unable to speak English or needed English instruction in order to make military training effective.

Sixty-eight thousand nine hundred and eighty-seven of those likely to be certified will be unable to speak English. This is estimated, and is based on statistics of the 1910 census.

Non-English-speaking drafted men.

Camp	Upton	1, 275
Camp	Devens	2, 482
	Gordon	381
Camp	Mende	1, 331

Mr. President, with these remarks I submit the matter to the Senate. I feel that if the Senate will give it their earnest consideration they will vote to defeat this bill.

Mr. HARDWICK obtained the floor.

Mr. PENROSE. Mr. President-

Mr. HARDWICK. Does the Senator from Pennsylvania desire me to yield to him?

Mr. PENROSE. I desire to make a few further remarks on the bill for three or four minutes, but I will yield to the Senator. Mr. HARDWICK. I shall not occupy the attention of the

Senate very long. I have only a word or two to say.

Following the last suggestion made by the Senator from Utah and the suggestion of the Senator from Oregon, there is quite an extensive legislative proposition submitted by the Bureau of Naturalization undertaking to deal with this subject matter, so far as it affects aliens and people who are applying for citizenship in this country. It is pending now before the Committee on Immigration, and we hope at an early day to be able to give that bureau certain additional machinery and certain additional money to carry on this great, and I think necessary, work; but it does look to me like if we start now another bureau to do the same kind of work it is going to be more or less of a duplication,

I have been very much impressed with the suggestion that we either ought to stop the Bureau of Naturalization from doing the work that has been committed to it by statute laws here through many years, by different Congresses, or keep this Bureau of Education out of it. We ought to do one or the other,

and avoid duplication.

I do not feel, and I never have felt, that vocational or any other sort of education was a proper function of the Federal Government. I think we have now at least enough ways to spend our money without embarking in that particular field of expenditure; and it certainly seems to me that only some of the duties and rights and responsibilities of the States ought to be left, but also some of their opportunities to attend to matters of this sort. I think from the beginning one line of demarcation has been that the course of education itself should belong to the local authorities, and the responsibility should rest on them.

Therefore, for every reason-first, because generally the Federal Government ought to have nothing to do with this sort of matter; second, because so far as concerns the particular way in which this thing is sought to be applied now, the Naturalization Bureau of the Department of Labor is already undertaking this work; third, because so far as the soldiers in the Army are concerned the bureau is already trying to do everything that can be done in the short time at hand; and, fourth, because we have not time now, with the emergency that is on us, to start to educate these soldiers in much except how to shoot straight and shoot quick. I do not think I can support this bill. Of course, since my colleague offers it, it is unpleasant to have to oppose it; but my judgment is against it, and upon all of those grounds I shall, therefore, oppose it.

Mr. PENROSE. Mr. President, I have only a few words to add to what I have already said, because after the very elaborate and clear explanation of the Senator from Oregon it seems to me that further comment on this bill is unnecessary.

I offered an innocent little amendment that no part of this appropriation should be applied to salary increases or to the creation of permanent positions, and I immediately encountered the indignant opposition of the Senator from Georgia [Mr. Smith] on the ground that I was engaged in taking all the perfume from the rose and destroying the bill. It seems to me, Mr. President, that if there ever was a measure that was presented to this body under a false aspect, it is this bill.

All this talk about the 700,000 illiterates, repeated throughout the country without the slightest foundation, has only one purpose-to bolster up this measure and get \$100,000 out of the Treasury. I have here a memorandum from the Provost Marshal General's Office, sent here at the request of the Senator from Oregon [Mr. CHAMBERLAIN], in which he states that they have not collected any data on illiterates in connection with the draft; but it requires a universal genius, like Mr. Claxton, to discover these startling figures overnight.

But the cause is not difficult of ascertainment, Mr. President. It is found in this wail which we frequently hear from the administrative officers of the Government, and is thus stated in the

report of the Commissioner of Education:

The statutory salaries of the administrative officers of the bureau are conspicuously low; they have remained unchanged for many years. The chief clerk of the bureau, who is the administrative head of the office and acts for the commissioner in the latter's absence, receives \$2,000. The editor, who must have, in addition to the technical editorial qualifications, a clear conception of Government policies—

It would require a great editor to have a clear conception of Government policies just now-

And a broad knowledge of the special field of pedagogy-

Which will ultimately include herding reindeer in Alaska-

Sufficient to enable him to review critically the work of highly trained specialists in the office and prominent educators outside, is also paid \$2,000. The specialist in higher education, whose business it is to judge of university and college standards—

A rather vague line of business-

To report upon academic policies and to analyze institutional man-

High-sounding phraseology, Mr. President, which does not convey to my mind any clear idea of the arduous duties imposed upon this gentleman.

Mr. President, will the Senator yield to me? The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. PENROSE. Yes.

Mr. KING. What authority has Dr. Claxton, or any representative of the Government, to analyze the duties and responsi-bilities and the methods of teaching of the various States, or the institutions within the States?

Mr. PENROSE. Mr. President, there is apparently no limit to the universal genius possessed by Dr. Claxton. Any man who can teach gardening in Baltimore, and herd reindeer in Alaska, and compete with Hoover in food conservation has as universal a talent as was possessed by Shakespeare or any of the great men in history.

This man, with these high-sounding duties-

Whose business it is to judge of university and college standards, to port upon academic policies, and to analyze institutional manage-

A most arduous task-

for the largest as well as the smallest college plants in the United States—

Think of it-to analyze their institutional managements, great and small—this man receives a salary of only \$3,000, Mr. President, under the act of Congress-

The statistician, in charge of the bureau's fundamental task of collecting educational statistics for the entire Nation, receives \$1,800.

Here Dr. Claxton is not fair to himself, because he undertakes to collect similar statistics from every civilized and uncivilized nation in the world.

The whole report is one continuous wail about low salaries; and yet the Committee on Appropriations, Mr. President, has fixed these salaries. They are thought to be commensurate with the duties performed, and analogous to the salaries of similar positions in other branches of the Government.

It is lamentable, Mr. President, to read in the report that-The position of specialist in foreign educational systems, replete with enormous possibilities for leadership in the development of American education and industry on the basis of foreign experience, pays \$1,800.

To think that the man who tells us what they are doing in Japan and Burma and Siam and Haiti should only receive, for this notable consecration to the public service, \$1,800!

Who can not sympathize with the lamentations contained in the report, wherein it says:

The situation with regard to salaries paid under lump-sum appropriations is only slightly better.

I had thought, Mr. President, that the possibilities of the lump sum were limitless; and it is some comfort to me, in these day of enormous expenditures, to find that the lump sum has its

With great regret, Dr. Claxton says that-

The limit of \$3,500 placed upon salaries paid out of these funds means that the bureau can not expect to secure and hold permanently men who have a right to speak with authority in their special fields.

That is the real underlying motive behind this measure, in my opinion, Mr. President, and the reason why my amendment was so strenuously objected to, which endeavors to hold at least the present salaries and the present places down to their statutory status, and not permit the bureau to run riot, raising salaries and creating additional places.

Look at the recommendations in the report. There is hardly a recommendation here that does not relate to an increase in the salary of some employee in the department or which does not relate to the creation of an additional place. I shall not detain the Senate by more than referring to this highly interesting phase of the aspirations of the Bureau of Education, which seem chiefly to relate to salary raises and additional places

Mr. President, from the fraudulent and false-pretense aspects, we conclude with the ridiculous when we read in the report that the bureau should be authorized to sell some of the 4,000 reindeer belonging to the Government in Alaska and to distribute the remainder to the fields wherein they shall be herded.

Mr. SMITH of Georgia. Mr. President, I have listened to the speech of the Senator from Oregon [Mr. CHAMBERLAIN], and also to the speech of the Senator from Pennsylvania [Mr. PENROSE], with surprise.

As I understood the amendment of the Senator from Pennsylvania, it forbade the use of any of this money in paying I may have misunderstood him.

Mr. PENROSE. The amendment provided that no part of this appropriation should be applied to increasing salaries or creating permanent salaried positions.

Mr. SMITH of Georgia. I did not understand it, then. I thought it was to prohibit the use of any of the money to pay employees. That, of course, would destroy the bill. I have no desire that any of the fund shall be used to increase the pay of present employees of the bureau, and would have no objection to such a direction with reference to the fund; but, of course, if the fund could not be used to pay employees hereafter to be employed, or employees assigned to this special work, nothing could be done under the bill.

Mr. PENROSE. Nothing will be done.
Mr. SMITH of Georgia. Something will be done. I enter my opinion against that of the Senator from Pennsylvania, and I think mine is worth at least as much as his upon this subject.

I am very familiar with the work of the Bureau of Education. I knew it has done a vast deal of good. I knew it has not interfered with the work in the States. I know it has not assumed the task of education which has belonged to the States. On the contrary, it has cooperated with State superintendents; it has cooperated with city superintendents; it has cooperated wih county school commissioners; it has been a clearinghouse of information, gathering material that they needed from all parts of the Union, and furnishing it to them to help them advance in the splendid work of training the boys and girls of our country. This is a subject which to me has always been most dear, and to which I have given a great deal of attention, one that always delighted me, one where I feel that the broadest opportunity for public service is furnished.

Now, what is this bill? This bill is not to place the Commis-

sioner of Education in the States to teach the illiterate of mature years. It is not that. That never has been the province of the Bureau of Education. It has not been the province of the bureau to teach the children; but it has been the province of the bureau to be a clearing house of information and help the State officials to gather the information they needed and contribute to their work, helping to unify the work of the entire country and ad-

vance it in its breadth and in its strength.

What is this bill? This is a bill to authorize the Bureau of Education to go among the adult illiterates, to help prepare plans to strengthen the adult illiterates, to help by furnishing plans the work to be done by the State officials, the work to be done by the State commissioners of education and superintendents and the city commissioners of education and superintendents and the city and the country teachers. But the Bureau of Education here, national in its scope, is to help prepare the line, to help point the way, to help stimulate the work. It may go further. It will help stimulate the good women in the cities and the good men in the cities and in the country to take up this problem of adult illiterates and help reach out to them and organize day and night movements to remove illiteracy among the adults.

Where does this bill come from? Senators have ridiculed the source of the bill. They charge the Commissioner of Education with seeking to build up a new, great bureau. Why, he aiready has the bureau. The bill did not come to us from him. It came to us from one of the broadest and best men in our country, the Secretary of the Interior, Mr. Lane. Let me read to you a sentence from his letter. I introduced the bill because the Secretary of the Interior sent it to me and wrote a letter upon the subject which appealed to my judgment. He called attention to facts that appealed to my judgment. Let me read a line or two from his letter. Before I do so, I challenge the statement of the Senator from Pennsylvania that there are not in this country 700,000 persons of draft age unable to read and write.

Mr. PENROSE. What does the Senator found his statement

on?

Mr. SMITH of Georgia. I will give the Senator my facts. That is the reason why I challenge his statement.

The Senator does not give me any facts. Mr. PENROSE. Mr. SMITH of Georgia. I am going to, if the Senator will

sit down and listen to me. Mr. PENROSE. 1 will.

Mr. SMITH of Georgia. There are 5,516,163 adults in the United States who can not read and write, according to the census of 1910.

Mr. PAGE. Mr. President, let me correct my friend from Georgia-above the age of 10.

Mr. SMITH of Georgia. Above the age of 10; yes.

Mr. PENROSE. Has the Senator any evidence that they are

males or females, or both?

Mr. SMITH of Georgia. I am going on with my statement. I again suggest to the Senator that he sit down.

Mr. PENROSE. I was making a civil inquiry of the Senator.

Mr. SMITH of Georgia. I have not finished. I will give the Senator all my information.

Mr. PENROSE. The Senator says there are 5,000,000 men

and women who are illiterates.

Mr. SMITH of Georgia. That is true over the age of 10

Mr. PENROSE. That is not a question involving the draft age.

Mr. SMITH of Georgia. Yes; that furnishes information about the draft age also, because the proportions run through.

The percentage is about 8. Now, then, there are 10,000,000 within the draft age, or about 10,000,000. That percentage makes those within the draft age over 700,000. The Senator asks for the calculation for his information, and that is the calculation made by the Secretary of the Interior, Mr. Lane, found in this letter, and that is what the Secretary based his letter upon, that there were approximately 700,000 within the draft age subject to the draft who could not read and write. Now let me read the conclusion of the letter of the Secretary.

The PRESIDENT pro tempore. The morning hour having expired the Chair lays before the Senate the unfinished busi-

ness, which will be stated.

The Secretary. A bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government.

Mr. SMITH of Georgia. Mr. President, while I have the floor

I wish to finish the line I was presenting.

Mr. OVERMAN. Does the Senator want to speak on this bill?

Mr. SMITH of Georgia. No; I will speak on the bill that was before the Senate before the unfinished business came up.

Mr. OVERMAN. The Senator can not speak unless he speaks on this bill.

Mr. SMITH of Georgia. I think I know my rights, and I shall

use them.

I desire to call attention very briefly to one or two more things, and then I intend to defer my further remarks until a later time.

Mr. KING. Does the Senator intend to try to get a vote on the bill to-day?

Mr. SMITH of Georgia. No; I can not. I wish to complete at this time my reference to the statement by Secretary Lane, and my answer to the efforts to prejudice this measure upon the theory that it originated with the Commissioner of Educa-tion in an effort to enlarge this bureau. The conclusion of the letter of Secretary Lane to me is in this language:

What I have said here leads to a respectful request that you give early consideration to House bill 6490, which provides for a modest appropriation for the Bureau of Education to begin and conduct a vigorous and systematic campaign for the eradication of adult Illiteracy. If the bill can be passed soon, special attention can be given to teaching illiterate men of draft age, and especially those who are classified in

So, Mr. President and Senators, this bill came from the Secretary of the Interior, Mr. Lane. It came in a letter from him to me, and also a letter to the chairman of the Committee on Education in the House. He pointed out the extent of illiteracy above the age of 10 in the United States, 5,500,000; he pointed out the illiterates within the draft age, 700,000; and he appealed to us for this meager sum to be used by the Bureau of Education that it might speedily begin work to organize and stimulate work that as far as possible illiteracy might be removed from the boys in the cantonments and from those of draft age.

One more word and then I shall defer my further remarks

until the bill is formally before the Senate.

The Senator from Oregon called attention to a picture the use of which he seemed to condemn, and he said it was being sent in great quantities from New York by the National Americanization Committee for the United States Bureau of Education. It is true, I presume, that this picture is being distributed generally throughout the United States among those who can not speak English. It is probably true that the Bureau of Education has stimulated the work of the National Americanization Committee, and that this committee is spending vastly more in this work than we have contributed to the Bureau of Education for leading in such work. If so, I congratulate the country on the work of the Bureau of Education cooperating with the National Americanization Committee. What is this circular? What is this picture? It presents Uncle Sam shaking hands with an immigrant laborer who can not speak English, and Uncle Sam is inviting the immigrant to do what?

To learn English; to attend night schools.

The circular tells the immigrant to do this because-

It means a better opportunity and a better home in America.
It means a better job.
It means a better chance for your children.
It means a better America.
Ask the nearest public school about classes.
If there is none in your town, write to the National Americanization
Committee or the United States Bureau of Education.

Senators, can anything but good come from the circulation of matter of that kind? Does anyone question the value to the Nation of inducing immigrants to learn English and attend night schools? If that is the kind of work Dr. Claxton and the Bureau of Education are doing, then I ask you, Can we not well encourage them to do more of the same work? We spend a few dollars on the Bureau of Education, but under the leadership of the bureau large sums are contributed by which great service to our Nation is accomplished.

I shall not detain the Senate longer now, as the unfinished business is the regular business, and we should proceed with it,

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government.

Mr. OVERMAN resumed and concluded the speech begun by him on yesterday. The speech entire is as follows:

Tucsday, April 2, 1918.

Mr. OVERMAN. Mr. President, in my humble judgment, the bill now under consideration has been very much misunderstood. A remarkable thing happened in connection with it. It was introduced one afternoon about 4 o'clock, and the next morning, almost before the bill had even been printed, and before anyone could have read it, there were great headlines in the newspapers and interviews with various gentlemen denouncing the bill. That was an astonishing thing to me, but as Senators and Members of the other House have read and understood the bill it has come into very much stronger favor than it was before, and when Senators come to consider this bill as it has been amended There are no I do not see how any Senator can oppose it. horns in this bill.

I desire now to come to a discussion of its provisions. I wish to discuss the precedents for it; I wish to discuss its limitations, and I wish to show the absolute necessity for this legislation.

The President of the United States is the executive officer of the Government, made so by the Constitution. He executes the law. Under the Constitution, under our form of government, Congress makes the law, the Supreme Court of the United States declares what the law is, and the President is charged with the execution of the law. The pending measure does not propose to give the President any substantive power whatever. gress, in its wisdom, has passed certain laws which, under the Constitution and by virtue of his great office, the President of the United States is charged to execute. The question is, How shall he execute the laws which Congress has enacted? is the only question before the Senate. Shall he be authorized to execute them in the best interest of the Government and in order to fight the war more efficiently?

The Constitution prescribes the duties of the President. tors, of course, are familiar with the provisions of the Constitution, but I will read a portion of section 3, Article II:

He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient; he may on extraordinary occasions convene both Houses—

The President is charged, under a joint resolution which we have passed declaring war, to prosecute that war to a successful termination. The declaration of war was in the following lan-

Resolved, etc., That the state of war between the United States and the Imperial German Government which has thus been thrust upon the United States is hereby formally declared; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Imperial German Government; and to bring the conflict to a successful termination all of the resources of the country are hereby pledged by the Congress of the United States.

So, it is made the President's duty to fight the war not only by the joint resolution declaring war but by the authority granted to him under the Constitution as Commander in Chief of the Army and Navy. He has sent to the Senate, the same as if it were a message to Congress, a request for certain authority-the authority which is conferred in this bill. The question with the Senate is whether in this emergency, in this great crisis of our country, when men are fighting and dying, and the world is, as it were, burning up, and democracy and liberty itself hangs in the balance, will we grant to the executive head of this great Nation, whom by joint resolution we have charged to fight this war, not any new power, but the authority he asks for. He says it is necessary and tells you he must have this authority. Shall we give it to him?

Mr. President, so far as I am concerned, even if these were not war times, I would be in favor of this bill. Everybody familiar with the history of this country knows, and especially, perhaps, I will say to the Senator from Utah [Mr. Smoot] and those 18 members of the Appropriations Committee, with whom I have the honor to serve, know that there is the most utter confusion and great duplication of work among the departments of this Government. No man knew that or could know it better than former President Taft. Before he became President of the United States he had been Solicitor of the Treasury; he had been Secretary of War; he had been Governor General of the Philippine Islands, and he knew the conditions existing.

In January, 1912, he sent to Congress a message, in writing, in which he said that the departments, bureaus, and agencies or the Government had been built up by Congress during a hundred years without any system, without any coordination, and that there was utter confusion and duplication of work everywhere. In response to that message, in which he asked for a hundred thousand dollars to appoint an efficiency commission to look into the matter, the necessary legislation was enacted, and subsequently a report was made by the commission. After reading that report, Mr. Aldrich, a great Senator from the State of Rhode Island, said upon the floor of the Senate that if we would carry on the Government as any business concern is carried on we could save the enormous sum of \$300,000,000 annually. Mr. President, if this Government was run according to business methods, he was not far wrong in this statement.

Mr. President, in time of war we ought not to be too sensitive or squeamish about these things. In time of peace I introduced a resolution, which the Senate passed and which I am going to read, which practically gave the authority now sought by the pending measure, but in relation to one subject only. Time and time again, as I am going to show, Congress has acted upon this question and given this authority for special objects.

Mr. President, we have got to give the President power in these times to carry on the war in order that it may be carried on successfully. We have got to stand by him. President Lin-

Mr. CUMMINS. Mr. President-

The PRESIDING OFFICER (Mr. Knox in the chair). the Senator from North Carolina yield to the Senator from Iowa?

Mr. OVERMAN. I yield. Mr. CUMMINS. The Senator from North Carolina said a few moments ago that the President had asked for the power which this bill would confer upon him. Will the Senator from North Carolina point out the message of the President to which he referred in making that statement?

Mr. OVERMAN. I said it was the same as a message in writing. The bill was advocated by the President and sent to me by the President, and I have no hesitation in saying so.

Mr. CUMMINS. I did not quite gather that qualification, and I simply wanted it to appear before we proceed further that the President had not communicated to Congress any desire for the power which is conferred by this bill.

Mr. OVERMAN. Mr. President, everybody has been making criticism about the "red tape" in the departments. The President wishes to cut it. Let us give him the scissors with which to do so.

Mr. President, before I show the action of President Taft in these matters, which I want to read, let us see what the provisions of this bill are. It has certain provisions and certain limitations. What does it propose to do? Simply, during the term of the war, to redistribute functions. What functions? New functions? No. What functions? Functions that Congress has enacted; functions that it is the duty of the President, as Commander in Chief and as President, to discharge in executing these laws. How shall he execute them? He tells you how he wants to execute them. He does not want new laws or any substantive power, but he wants the authority simply to redistribute these functions so that he may coordinate the great machinery of this Government, which is now loose, with a monkey wrench in it, with no lubricating oil, and running rusty. He asks you to give him the authority to redistribute these functions, and also authority to transfer certain agencies and to transfer certain persons from one bureau to another. That is about all there is in the bill, with what limitations, Mr. President? Let us see what the limitations are.

It is provided-

That the authority by this act granted shall be exercised only in matters relating to the conduct of the present war.

I thought, Mr. President, that the language of this bill was sufficient without that clause, as the following language in the

first section of the bill is a limitation simply for the period of

That for the national security and defense, for the successful prosecution of the war, for the support and maintenance of the Army and Navy, for the better utilization of resources and industries, and for the more effective exercise and more efficient administration by the President of his powers as Commander in Chief of the land and navai forces, the President is hereby authorized to make such redistribution of functions of functions

And so forth. But some Senators on the committee said, "That limitation is not sufficient. We want to make it more explicit, so as to confine it absolutely to the war," and therefore I accepted the amendment that the authority by this act granted should be exercised only in matters relating to the conduct of the present war in order to make the limitation more explicit.

Mr. JONES of Washington. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. OVERMAN. I yield to the Senator.

Mr. JONES of Washington. In view of that amendment proposed at the close of section 1, what effect has the preceding

That this act shall remain in force during the continuance of the present war and for one year after the termination of the war.

It seems to me that those two provisions are really contradictory.

Mr. OVERMAN. So far as the committee is concerned, that is only a question of detail. The idea of making it 12 months was, as there is another provision in the bill requiring that these functions should go back to where they were before they were redistributed, that there should be sufficient time for adjustment of those matters where changes had been made. There is a provision that-

Upon the termination of this act all executive or administrative agents, departments, commissions, bureaus, offices, or officers shall exercise the same functions, duties, and powers as heretofore * * * provided.

So that if the President should redistribute any of these functions or the duties of these officers, they should go back. The only question is, How long would it take to do it? So we made it 12 months; and if the Senator desires a shorter time, I have no objection to it. We only want time enough to enable them

to readjust these matters after the war.

Mr. JONES of Washington. No, Mr. President; this is all that I was trying to get the view of the Senator upon: It seems to me that those two provisions are contradictory. If you have a provision that this act shall remain in force for one year after the expiration of the war, it seems to me that carries the authority to act for a year after the war; and yet you put in an amendment providing that the authority by this act granted shall be exercised only in matters relating to the conduct of the present war. Now, the war ends, and the conduct of the war ends, with the treaty of peace; and I just wanted to ask whether the Senator regarded those two provisions as contradictory?

Mr. OVERMAN. They would seem to be somewhat inconsistent; but when you take them in connection with the language I have already read, it will take some time to readjust This certainly is not intended to confer any authority matters. to act after the war is over.

Now, there is another limitation, Mr. President. The limitation is:

That for the purpose of carrying out the provisions of this act, any moneys heretofore and hereafter appropriated for the use of any executive department, commission, bureau, agency, office, or officer shall be expended only for the purposes for which it was appropriated under the direction of such other agency as may be directed by the President hereunder to perform and execute said function.

The President is not only given no new power or new function, but he is limited to spending only the money appropriated and only for the purposes for which it was appropriated.

Mr. WADSWORTH. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New York?

Mr. OVERMAN. I yield. Mr. WADSWORTH. Will the Senator inform the Senate as to his definition of the term "governmental agency"?
Mr. OVERMAN. Any agency established by Congr.

Mr. OVERMAN. Any agency established by Congress. Mr. WADSWORTH. That is the entire definition the Senator

wants to give? Mr. OVERMAN. Or any other agency that the President has

established himself, if he has any power and he has established any agency

Mr. WADSWORTH. There comes a very important distinction.

Mr. NELSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. OVERMAN. I do. Mr. NELSON. The bill has been amended so that it refers only to governmental agencies established by law. It is limited to that.

Mr. OVERMAN. Yes; it is.

Mr. WADSWORTH. Apparently the chairman of the committee did not know that.

Mr. OVERMAN. Yes; I remember the Senator's amendment. So those limitations are there, Mr. President. It is limited to governmental agencies established by law. It is limited to governmental agencies established by law. It is limited to expending money only for the purposes for which it was appro-It is limited to using only the functions which Congress already has established.

Mr. WADSWORTH. Mr. President, I was going to ask, in a specific case, if the Senator will be good enough to answer, Does the Senator consider that the War Industries Board is a governmental agency under that definition?

Mr. OVERMAN. If it was created by an act of Congress, it

would be created by law.

Mr. WADSWORTH. It is a close question in my mind, and I am really in doubt about it. The Council of National Defense was established by an act of Congress, and so, as I understand, was the Advisory Commission. They, in turn, created the War Industries Board. Is that a governmental agency established by Congress

Mr. SMITH of Georgia. Mr. President, this language is "now disting by law." It does not say "established by law." If it existing by law." was legally created, without regard to an act of Congress, it would exist by law, though not established by a statute.

Mr. WADSWORTH. The thing is exceedingly important, because there are a large number of subcommittees of the Advisory Commission of the Council of National Defense; and I should like to have their status thoroughly understood, in

order to understand what this bill applies to.

Mr. OVERMAN. Mr. President, Congress passed what is called the national defense act, and the national defense act confers no power whatever. It authorizes the President to establish this council. It authorizes certain agencies to be established; and, acting in accordance with this act passed by Congress, conferring no power, the great business heads of this country were summoned to Washington. Advisory committees were established, agencies were established; and there, as the Senator from New York has so vividly set forth, has been the trouble. They took this evidence before the committee, Mr. President-I wish the Senators would read it; the Senator has quoted very largely from it—in which it was testified that the best business men in America came here, as patriotic men, to help fight this war, and they had an act before them which gave them no power whatever, and the bureaus and agencies did not comply with their demands, and there was confusion everywhere.

Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Iowa?

Mr. OVERMAN. I do. Mr. CUMMINS. I think there is a little confusion about the immediate subject of which the Senator from North Carolina is speaking. It is true, as the Senator from North Carolina says, that the law confers no power upon the Advisory Commission or any of the committees created through it or under it; but the Advisory Commission is a governmental agency existing under the law, and by the terms of this bill the President can take any department, any commission, or any office, no matter how extensive its functions and its powers may be, and transfer those functions and powers to any committee of the Advisory Commission, even though the latter now has no power or function at all save an advisory one. That is the exact situation. The power here is to transfer from one department or office of the Government to another. I am sure the Senator from North Carolina will agree with me.

Mr. OVERMAN. I agree with the Senator. He has a right

to transfer.

Mr. CUMMINS. For instance, under this bill the President can transfer all the powers and functions of the Interstate Commerce Commission, or the Federal Reserve Board, or the Federal Trade Commission, or the Federal Farm Loan Board, to any officer of the Government, or to any agency of the Government, or to any department of the Government, or to one of these committees created under the Advisory Commission.

Mr. OVERMAN. Now, I want to ask the Senator a ques-tion which he asked me when I had charge of the espionage The Senator asked me when that bill was up for consideration if it was absolutely necessary in order to fight the war successfully and save the Union and the Constitution, whether I

would be willing to prohibit the publication of newspapers. Now, I want to ask him this question: If it is absolutely necessary, in order to save the Union and to fight this war successfully, to transfer the powers of the Interstate Commerce Commission to some other department or service, would the Senator be willing to do it?

Mr. CUMMINS. Why, Mr. President, there is but one answer to that question. If it is necessary to save the Union, I would be willing to abolish permanently the Interstate Commerce Commission and the Federal Reserve Board and the Federal Farm Loan Board and the Federal Trade Commission. would be willing to abolish any agency of the Government. But it is for me, as a Senator, when I cast my vote to determine whether it is necessary, in order to save the Union, that the President be granted the power to transfer the functions of one of these tribunals, independent in their character, to another officer of the Government When I am convinced that it is necessary to save the Union that this sort of power shall be given to the President, I am willing to give it, and would without hesitation give it; but I not only believe that it is not necessary to grant such power to the President in order to save the Union, but I believe that if granted it would be an influential step toward destroying the Union.

Mr. OVERMAN. Mr. President, the Senator has answered the question as I did, with one exception. He would do it in order to save the Union; he would do it in order to fight a successful war; but he must exercise his own judgment here, and practically say: "I distrust my Commander in Chief; I have no confidence in his judgment. I am afraid he will do so-and-We have our Commander in Chief; we have instructed him to fight the war; and does the Senator think he would do

Mr. CUMMINS. Mr. President, I hope the Senator from North Carolina will not press me too closely and too far with regard to my trust or confidence in the President of the United States. I have the utmost confidence in his good intentions; but I answer him by saying that I would not grant this power, unless I was convinced that it was necessary, to any man, whether this President or any other President, whether of my own party or of any other party.

The very moment that the Senator from North Carolina can convince me that to prosecute the war successfully, to save the Union, and to save free institutions and to save civilization, it is necessary that this power shall be conferred upon any man in the Republic, famous or obscure, I will be the first to grant it; but the task is first upon the Senator from North Carolina to convince me that any such power as that is necessary in order to conduct the war properly.

Mr. NELSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. OVERMAN. Let me answer the Senator from Iowa first.

Mr. CUMMINS. If the Senator will allow me just a moment more, I want to say that, so far as concerns every illustration which has been given to the committee of a need of further power in the hands of the President, there has been no difference of opinion whatever among the members of the committee, I stand ready to give to the President, so far as Congress can give it, every power which has been specified by the advocates of this bill; but I am unwilling to extend that grant into a nameless, undefinable ground, so that the President, under the guise of transferring power in order to properly prosecute the war, may transfer it for another and a different purpose.

Mr. OVERMAN. Notwithstanding, Mr. President, there is a limitation in this bill that provides that he shall do nothing, he shall exercise no authority, except in matters relating to carrying on the war and necessary for the public defense there is a limitation-yet with this limitation in this bill which says that the President shall have no authority to do anything not relating to the war, the Senator says the President will exercise that power, notwithstanding he has sworn not to do it. The Senator would not trust him. I have a different opinion of the President, and I am willing to give to him this general authority both as Commander in Chief of the Army and as the great executive head of this Nation, elected by the people to execute the laws.

Why, sir, in 1861 Congress met, and adjourned in August, and left President Lincoln to do things; and for what he did do he was denounced as a dictator and a czar, and yet he saved the Union. He signed without any authority whatever the emancipation proclamation. There was no law for it, but he did it to save the Union; and every man, North and South, today indorses that great act. Mr. John Hay said that like a

tycoon he went about doing things without regard to law or the Congress; but President Wilson does not do that.

It has been said in our committee by some Senators that the President having been given the right to fight the war with the Navy and the Army, he can perhaps do all these things anyhow; but instead of doing them, he comes to Congress, and says to Congress: "Instead of being called a dictator, as Lincoln was called, I would rather have the authority of Congress to exercise my judgment in matters relating purely to the war" and yet Senators say, "I can not trust him. He may do something he should not do." All the law says is: "You shall not exercise this authority except in relation to war matters.

That is the difference between the Senator and myself. The Senator has stood faithfully with the committee for all matters except his pet measures, which are amendments relating to the Interstate Commerce Commission, and, I believe, the Department of Justice. He has stood with us on everything else. I am glad he has, but I do not want him to make those exceptions. I do not want him to assume that the President of the United States will disobey the law, violate his oath, and do an unconstitutional act. That is the reason why I do not agree to those amendments.

Mr. NELSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. OVERMAN. I yield to the Senator, Mr. NELSON. I want to remind the Senator from North Carolina that practically the Senator from Iowa was willing to give all the powers granted in this bill with regard to all the departments of the Government except the Department of Justice, the Interstate Commerce Commission, and the Federal Reserve Board. He was willing to give all these powers, and he did not have the compunction of conscience that he has indicated now about the dangers of the bill.

Mr. CUMMINS. No, Mr. President; the Senator from Minnesota is wrong

Mr. NELSON. I am not wrong.

Mr. CUMMINS. As I am sure he will admit in a moment. Mr. NELSON. No, sir.

Mr. CUMMINS. The Senator from Minnesota will remember that before the committee I took the position that the power which the President desired should be specified, and, if we be-lieved it to be necessary or helpful in the prosecution of the war, that we ought to grant it.

Mr. NELSON. Mr. President, may I ask the Senator a question?

Mr. CUMMINS. Just a minute. Mr. NELSON. Did not the Senator offer an amendment to the bill to that effect?

Mr. CUMMINS. If the Senator will just sit down a moment, will tell him just what I did. That view was not accepted by the committee; and in order to limit the powers which we are asked to grant within at least those fields that have hitherto been recognized as executive fields, I offered an amendment in which I proposed to give these powers to the President so far as all the executive departments are concerned—that is, the departments of which Cabinet officers are the heads-with the exception of the Department of Justice, and I included also the United States Shipping Board.

I would go with great reluctance to that extent, but I will go, although it does not meet my approval. But when it is proposed to extend this power so that the President may abolish every other agency of the Government and transfer those agencies to any officer or department whom or which he may select-agencies over which the President has no control, agencies that he ought not to attempt to influence in any way whatsoever-I found it impossible to bring my judgment to

approve a course so radical and, as I thought, so unnecessary.

Mr. OVERMAN. Yes; the Senator stood in the committee. and advocated an amendment to the bill that would have given the President all the authority granted in this bill, except with reference to the judiciary-and that is very important-and the Treasury Department, and the Interstate Commerce Commission. The truth about it is, my countrymen and Senators, we are too squeamish about these things. Let me tell you: I stood here for three long weeks and contended for the passage of a bill known as the espionage bill, and yet here to-day we are coming back because, under the condition of things, by reason of certain words being stricken out, we can not punish anybody. We come back and ask for amendments to that bill, contained in a bill which I have introduced here to-day, in order that we may punish men for these things. Yet some people want to use the word "intent" when men are destroying the property of the United States, and we have got to come back

here and strike out certain words in a bill because Senators in time of war, when the world was on fire, came here and said:

We must protect the liberty of the citizen."

Mr. President, the liberty of the citizen must be protected; but in times of war we must do all those things that are necessary to bring about a successful conclusion, and we must trust the man that the Constitution and the people of these great United States have trusted to be the Executive of this country. The Constitution makes him the Commander in Chief. Miller, in his work on the Constitution, says that the reason the Constitutional Convention put in the words "Commander in Chief" and made the President the Commander in Chief was because Senators and Members of Congress were denouncing George Washington, the Father of his Country, all over the floors of Congress and hindered him at every step; so, in order to give him the power to fight the war successfully, the Constitution itself made the President the great Commander in Chief. Now, being the Commander in Chief, and with this joint resolution passed putting upon this good man the terrible burden of fighting this war, you propose to deny him certain authority that he says he must have. Why? Because you can not trust him. It is your duty as a patriot to trust him. If he does wrong, we can deal with him afterwards. If he does things contrary to law and does not confine his action to matters relating entirely to the war, and no others, then we can deal with him. I, for one, believe that we ought to trust him with this power, and that he will exercise it according to the law of his That is the difference between the Senator and myself. The Senator says that if it is necessary, in order to save the Union and fight the war successfully-I do not know whether it will be necessary or not, and the Senator does not know—to transfer the powers of the Interstate Commerce Commission, he is willing to have that done. But if it should be necessary, and you have not given to him that power or any other power, what is he to do? He is to do like Mr. Lincoln did, I suppose, and then he will be denounced as a usurper. Whether some Senators trust him or not, the people of this country trust him, without regard to party, as no other President has been trusted in our past history.

Mr. REED. Mr. President

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. OVERMAN. I do.

Mr. REED. Will the Senator be so kind as to point out to us how, by any possibility, it would be necessary for the President to wipe out the Interstate Commerce Commission in order to win the war?

Mr. OVERMAN. I do not intend to do it. I say he will only exercise powers according to this bill, which confines him to using those powers only in matters relating to the war.

Mr. REED. But, Mr. President— Mr. OVERMAN. Many things might happen of which I can not conceive at this time. Why, the Senator from Missouri has asked me time and time and time again to show him what the President wants, and said that he might grant it.

Mr. REED. Yes; and the Senator has been as mum as the

proverbial oyster when the question was asked.

Mr. OVERMAN. Ah, I will show the Senator why I can not There is something arising every day in connection with which the President ought to have a right to transfer and redistribute these powers.

Mr. SMITH of Georgia. Mr. President, will the Senator tell

us what has already arisen during this year?

Mr. OVERMAN. I will tell the Senators. Wait until I get I have had contests with these three Senators for about three weeks. I know what they are asking. The committee has reported out this bill and asks the Senate to pass it. I know what you are going to say about it. I expect you to make a speech along that line on this floor.

Mr. REED. Mr. President-The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. OVERMAN. I do.

Mr. REED. Sometimes we get help by direct questions. If the Senator has been asked these questions for three weeks he ought to be able at the end of that time to answer some one of The question I am asking him is to point out to the Senate how, by any possibility, it is necessary to take away the powers of the Interstate Commerce Commission and transfer them to some individual? It might be Mr. Creel or it might be

Mr. OVERMAN. Still "harping on my daughter."

Mr. REED. No; he is no relative of mine, either male or female; but that witticism was worn out weeks ago. Now, I dent from first to last will do nothing but wrong; that he will

want the Senator, who has had three weeks to think it over, to answer the question how it is necessary, in order to win the war, to take the powers of the Interstate Commerce Commission and confer them on some other individual? I think the Senator ought to answer that question or else say he can not answer it.

Mr. OVERMAN. I want to be frank with the Senator. I

can not see why he would.

Mr. REED. Then, if the Senator can not see how it is possible, why did the Senator refuse to vote for my amendment, offered in the committee, to eliminate the Interstate Commerce Commission from the remarkable provisions of this bill?

Mr. OVERMAN. Because we limited it purely and solely to fighting the war and let the President decide that question.

Mr. REED. But the Senator's argument now is that it is not

Mr. OVERMAN. I do not think it is.

Mr. REED. If it is not included, why did the Senator vote against an amendment that a considerable number of the members of the committee thought was necessary in order to

make it plain that it was not included?

Mr. OVERMAN. As I said to the Senate, because I wanted to give the President this general power that he has asked, trusting that he will comply with the law. trusting him as the people of the United States have trusted him, trusting him as two-thirds of the Senate, I believe, are going to trust him with this matter, that he may exercise the power in his own good judgment. If he thinks it necessary to use it, he will do it; but he will have a good reason for doing it, and it will be in the interest of the national defense.

Mr. REED. The Senator first states that he can not tell us any reason why it is necessary to interfere with the Interstate Commerce Commission. Then he tells us that the Interstate Commerce Commission is not included in the bill at all, and that that is the reason why he objected to excluding the Interstate Commerce Commission. Then he tells us finally that he wants to leave in the power just because he wants to trust the President to do everything. Now, I want to ask the Senator if he did not change this bill himself by his own amendments not less than five times from the original draft?

Mr. OVERMAN. I read the limitations, and one of them was the limitation I am talking about, that it must be limited to

fighting the war.

Mr. KELLOGG. Mr. President-

Mr. OVERMAN. I yield to the Senator. Mr. KELLOGG. Do I understand the Senator to claim that the bill gives the President the power to transfer the powers of the Interstate Commerce Commission?

Mr. OVERMAN. I say it gives him the power, just what it says, to distribute the functions of any department in this

country for war purposes.

Mr. KELLOGG. Now, one further question. Senator is aware of the fact that in the railroad bill, after a discussion for many days, both the Senate and the House voted to leave the power ultimately to fix rates in the Interstate Commerce Commission. Is there any reason why the Senate and the House should reverse their action on that proposition in this bill?

Mr. OVERMAN. This bill does not reverse it.
Mr. KELLOGG. It gives the power to the President.
Mr. OVERMAN. It gives him power if necessary to save the country and more efficiently fight the war. That is what it does.

That is the authority given.

Mr. NELSON. Mr. President, I wish to call attention to the fact that this assumption that because we give the President the power and the authority to consolidate these departments therefore he has the power and will exercise it and discontinue and dismantle the departments is a most violent assumption. Under the Constitution and the law we give the President plenary power to make war after we have declared war. is to hinder the President to-day, if he saw fit to exercise the power, to direct Gen. Pershing over in France to surrender our Army to the Germans and leave that country? There is nothing in the law to prevent it, but we know that the President will not do anything of that kind.

In respect to the Interstate Commerce Commission, we have in another bill given the President the power to take possession of and regulate the railroads and to fix the rates. Now, why should not the President in connection with that have the authority to utilize the functions of the Interstate Commerce Commission in connection with the rate-making power? We have no right to assume that because he will utilize some of the employees of the Interstate Commerce Commission he is going to wreck and dismantle and destroy that commission. This opposition is founded on the assumption that the Presi-

discontinue and dismantle all the departments instead of the proper assumption that he will utilize them to the best of his

ability to carry on the war successfully.

Let me illustrate it, if the Senator from North Carolina will yield to me another moment. Take the matter of sending supplies to Europe. There are three or four branches of the Government interested in it. The Shipbuilding Board is interested in it, the Navy Department, the War Department, and the Department of Commerce, that has to do with exports. Those departments and the Shipbuilding Board are all interested in this matter. In order to carry on the transportation of food and supplies to Europe it is necessary to have all these branches of the Government function and work together. That is all there is in this bill, and there is no use of slandering it.

Mr. OVERMAN. If the President wanted to remove some of the best-trained men in the United States and call them in to serve in some department of the Government from the Interstate Commerce Commission, why should he not have the power?

Mr. CUMMINS. I, for one, am willing to give it.
Mr. OVERMAN. Of course, the Senator is willing to give nearly everything except his one pet measure.

Mr. CUMMINS. No.

Mr. OVERMAN. As the Senator pointed out that the President may have to use that power, but he will never use it unless

it be for war purposes.

Mr. CUMMINS. If the Senator from North Carolina will allow me a moment, I am not proceeding upon the theory that I think the the President will do what he thinks is wrong. President will do what he thinks is right. But this legislation is my responsibility, and not his. I can no more assume his responsibility than he can assume mine and obey the Constitu-The Interstate Commerce Commission is entirely removed from the executive departments of the Government. It is wrong for the President to attempt to influence it at all. It is purely a legislative function. It is an administrative commission organized by Congress for the purpose of administering the will of Congress, and the President has nothing whatsoever to do

Now, I have no objection to giving the President the power to reach into the personnel of the Interstate Commerce Commission and transfer any man from that employment to any other employment of the Government. As the Senator from North Carolina knows, I have no objection to that; but we have charged the commission with certain functions. I happen to speak of that, but there are other commissions and tribunals just as important and to which all that I say about the Interstate Commerce Commission will apply with equal force. We have charged that commission as a legislative matter with the duty, for instance, of valuing all the railroad property of the country, and it has proceeded now for about four years in that work.

Mr. OVERMAN. And it is money absolutely wasted.

Mr. CUMMINS. I know something about the controversy that has arisen with regard to the continuation of the work. and every Senator who is abreast of the time knows something Is the Senator from North Carolina willing to give the President power to transfer the functions of the Interstate Commerce Commission in the valuation of railroad property to any person whom he may select for that purpose? Is any Senator willing to destroy the labor already done and vest in some other unknown, unnamed man the vast power of determining the value of the railroad property, which before very long it is quite likely the Government will be called upon to acquire?

I simply instance these things. The President might not do I do not know whether he would or not; but whether he would or not, we are recreant to our duty if we give any man the power to transfer a function of that kind to some one who is unknown to us, and who may or may not discharge that duty under the high sense of responsibility which we have a right

to expect from the Interstate Commerce Commission.

That is but one of the functions of that great tribunal. other is the right to review the rates fixed by the President. Now, see what an illogical and absurd position we might create. We have given those who are interested the right to appeal from the action of the President in fixing rates to the Interstate Commerce Commission. Suppose the President transfers the function of reviewing rates from the Interstate Commerce Commission to the same person who fixed them originally, what a position would be created for the edification of our enemies!

The Senator thinks the President would Mr. OVERMAN. utilize some other body than the Interstate Commerce Commission to value the railroads. So far as I am concerned, I have seen \$12,000,000, and I think the Senator will agree with me, generally wasted in the valuation of the railroads. The waste is going on. What will you do after you value them? You would

have to value them every five years.

But talking about power, the Senator was on the great Committee on Interstate Commerce—I think the Senator says he did not vote for that provision, but you have given more power to the President of the United States in your reilroad bill than is proposed to be given him in this bill Ah, you say that was for a special object. Yes, and this bill is for a special object. For what? That was to run railroads and this is to fight the war.

Now, let us see what power you did give. It was more vast than that given in any other bill that ever passed Congress.

Mr. LEWIS. Mr. President-

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Does the Senator from North Carolina yield to the Senator from Illinois?

Mr. OVERMAN. Certainly.
Mr. LEWIS. I beg to ask the Senator from North Carolina, likewise the Senator from Iowa, to this consideration. we had peace and the railroads were in the management of private interests we created a government as an agency for their regulation. We called that agency the Interstate Commerce Commission. But when we came to war and the President took charge of the railroads the relation the Interstate Commerce Commission had borne in peace times came to an end to the extent of its previous control over the railroads.

Why, therefore, under this bill should not the power be in the hands of the President since he must control the railroads with respect to rates and management, which control is given him by Congress for the benefit of the war? Why should we have the Interstate Commerce Commission or any other agency with the privilege to interrupt and obstruct the cause? with the Senator from North Carolina that in many instances the commission would show that it would be an obstruction and would defeat the very object of the bill that put the railroads in the hands of the President.

I wish to express my concurrence in the view of the Senator from Minnesota [Mr. Nelson] that the privilege that remains in the hands of the President under the bill presented by the Senator from North Carolina should not be interfered with by any power previously granted to the Interstate Commerce Commission.

Mr. STONE. Will the Senator allow me to ask if the act does, in effect, give the President power to abolish the Interstate Commerce Commission?

Mr. LEWIS. I hold that the law which gave the President the right to take charge of the railroads, in effect, repealed any provision that existed giving the Interstate Commerce Commission jurisdiction in any matter that conflicts now with the new law that gives the President the control of the railroads.

Mr. OVERMAN. I will not yield further right now. I have been very much diverted from the line of thought I expected to follow, but I welcome questions from any Senator upon the floor. We have had quite a controversy here about a matter that I probably would have reached before this time. I did not expect to speak for more than an hour, but I have been diverted. I wish to say to the Senator from Iowa that the powers given in the railroad bill were far greater than anything granted in this bill, because this bill does not grant any substantive power, but only authority to act in regard to laws already passed. That is the only authority granted here. Under the railroad bill the President may "call upon any department, commission, or board of the Government for such service as he may deem expedient," and the President in addition is given "further power necessary or appropriate to give effect to the powers herein and heretofore conferred." It gives him all sorts of power, any power he wants. Yet when we propose here to give him authority and not a power to fight the war, we have this great opposition from certain Senators who would be denying him the authority that he has as the great Commander in Chief.

I want both sides without prejudice or partisanship to study this bill and see if there is any unusual grant of power in it. Study it and think about it. Do not go according to the headlines in the newspapers, or the talk about the cloakroom, or the talk and lobbying here among Senators, but let us get down and study the bill and see what it means.

I was going on to say when I was interrupted that the former President of the United States, Mr. Taft, indorsed this bill practically, although there was no bill before him then, and I am going to read you from the great speech of Associate Justice Hughes last September before the Bar Association of the United States, in which he indorsed such power as this granted to the President in time of war. I will show you from great magazine writers and university professors, and take up the history of our Civil War, and other wars that we have had in this country, that the President should be given this authority.

It is said that the Constitution did not make the Union-that the Union made the Constitution. Therefore your great Commander in Chief must have powers not outside the Constitution, but the Constitution must be construed during war in connection with war power, as Mr. Lincoln did when he signed the Emancipation Proclamation. He had no authority to do it except the power that was given him as Commander in Chief to fight the war, and he exercised it, although men charged him with being a usurper and a traitor and a dictator, and he was denounced

from one end of this country to the other.

Mr. CUMMINS. Will the Senator from North Carolina yield for just one more question, and it shall be purely a question? Mr. OVERMAN. I am glad to yield to the Senator from

Iowa, or anyone else,

Mr. CUMMINS. Why does not the Senator from North Carolina include in this bill power on the part of the President to transfer the legislative functions of the Government to some other office or officer, if necessary, in order to successfully prose-

cute the war?

Mr. OVERMAN. That is already answered by the asking. This is a different department of the Government. As I started out to say, the Constitution of the United States divided this Government into three great divisions—the legislative, which makes the law and raises the money to equip armies and to levy the taxes necessary to fight this war; the President executes these laws; the Supreme Court decides what is the law. If Congress did not act, history would repeat itself and some one would charge the President with being a usurper and a dictator. You have charged him with going anchor the Congress, and now he comes and asks Congress for power. He Congress, and now he comes and asks Congress for power. He You have charged him with going ahead and not consulting says, "I do not want to do anything that savors of dictatorship, and you say you will not trust me. In effect, I am charged to fight this war to a successful end, and this is what I need. Come to my help!" That is all he asks, and that is what you ought to give him without question.

Mr. President, before I was interrupted I was going on to state that in times of peace I would be willing to give this power, trusting to the President to do right, without limitation, and believing that he would do those things only which relate to the war. This has been agitated by Senators who realize the situation, and I introduced an amendment to an appropriation bill giving practically this power. It passed the Senate. The distinguished Senator from Kansas [Mr. Curtis], always looking out for the interests of his country, diligent and untiring in his devotion to it in legislation, and knowing the financial conditions and the confusion existing in the departmens and how they are handled and the trouble we have in all the departments, introduced the same bill. After the President of the United States had sent in the report of the Efficiency Board everybody felt that many customhouses should be abolished in the interest of economy; that the officers were getting large salaries and were receiving no fees. But you could not do it. Why? Because every time it came up a Senator wanted to protect his man and to keep him in.

The Senator from Utah [Mr. SMoot] knows how that is. Every Member of the House wanted to keep in his man. After the diligent and active and able Senator from Kansas [Mr. Curris], then a Member of the House, introduced that bill, authorizing the President not only to coordinate but to abolish the customhouses, Congress passed it and gave the President the power to abolish them. This bill does not give the President any such power as that. The President did, in accordance with that act, abolish the customhouses, and it saved the country every

year \$350,000.

But it is said that that was for a special purpose. Yes; but for no more special purpose than this bill. That bill was to save This bill is to fight the war.

Now, I am going to tell the Senate what the then President of the United States, Mr. Taft, said, who, I say, knew more about this Government and its intricacies than any man probably who has ever been President of the United States, from the fact that he was so long Secretary of War, and also Solicitor and President, and had looked into these matters.

For 100 years these departments have been built up with bureaus and agencies having no relation to each other. in time of peace they ought to be corelated and coordinated and brought together, and that duplication should stop in this

country

This thought occurred to me when the Senator from Georgia [Mr. SMITH] was discussing the educational bill this morning. The Commissioner of Education, I understand, is given authority to teach aliens to speak the English language. There authority to teach aliens to speak the English language. There is a bureau in the Department of Labor for the purpose of educating the immigrants who come here. The truth of it is that the Senator from North Carolina did offer an amendment

we could save millions and millions of dollars if we would stop this duplication and take from the Department of Labor and put in the Bureau of Education this work of educating and teaching English to aliens.

You have another bill here of duplication. You are passing

them at every Congress.

Now, let us see what Mr. Taft says about it. You can never get Congress to do it unless you give the President authority to do it. That is the reason why I said in time of peace I would be willing to give just the authority this bill gives:

There have been no adequate means provided whereby either the President or his advisers may act with intelligence on current business before them

This was in 1911-

There has been no means for getting prompt, accurate, and correct information as to results obtained.

Mr. SMITH of Georgia. Will the Senator tell me from what

Mr. OVERMAN. I am reading from the message of President Taft delivered March 3, 1911-

Estimates of departmental needs have not been the subject of thorough analysis and review before submission; budgets of receipts and disbursements have been prepared and presented for the consideration of Congress in an unscientific and unsystematic manner.

Senators, look at these bills that are coming here, estimates by the millions and the billions, made by some department's chief. The President can not look over them. He does not have time to scrutinize them, and he can not do it. That is what Mr. Taft was talking about. The President can not know what is going on. There is nobody to revise what they do-

what is going on. There is nobody to revise what they do—
Appropriation bills have been without uniformity or common principle governing them; there have been practically no accounts showing what the Government owns, and only a partial representation of what it owes; appropriations have been overencumbered without the facts being known; officers of Government have had no regular or systematic method of having brought to their attention the costs of governmental administration, operation, and maintenance, and therefore could not judge as to the economy or waste; there has been inadequate means whereby those who serve with fidelity and efficiency might make a record of accomplishment and be distinguished from those who were inefficient and wasteful; functions and establishments have been duplicated, even multiplied, a using conflict and unnecessary expense; lack of full information has made intelligent direction impossible and cooperation between different branches of the service difficult.

I could stand here and read the report of this commission

I could stand here and read the report of this commission that Congress created, appropriating \$200,000, and showing the confusion existing and woeful wasting of money by duplication of work. I wish Senators would read it to show the confusion and the want of correlation and coordination in every one of these departments, bureaus, commissions, and agencies, which Congress has from time to time established without any scientific ideas of government. We have the most unscientific Government in the world.

I want to stop here, Mr. President, to say that France and Great Britain have given Lloyd-George and Clemenceau greater powers than we propose to give the President, because we give no substantive power; we only give him authority to redistribute powers or functions already granted by Congress. I could stand here and read what I have on my desk to show what England has done to give power to Lloyd-George, not the commander in chief but the premier, and Clemenceau, the President of France, without stint, let, or hindrance. They can change every cabinet minister to-morrow; they can change the commander in chief to-morrow. Yet when we ask for a little authority here to coordinate the departments for the interests of the Government Senators would deny it to our President.

Mr. REED and Mr. KENYON addressed the Chair, The PRESIDING OFFICER. Does the Senator from North

Carolina yield; and if so, to whom? Mr. OVERMAN. I yield to the Senator from Missouri first. Mr. REED. I wish to ask the Senator when he first heard of this message of President Taft? It was about 1911, was it not?

Mr. OVERMAN. Yes; somewhere about that time. Mr. REED. The emergencies existed then, and they have

existed ever since?

Mr. OVERMAN. Yes. Mr. REED. I want to ask where the gallant Senator from North Carolina was during all the intervening years that he did not act?

Mr. OVERMAN. I fathered a bill through the Senate trying to correct it, and it failed in the House because some Members of the House thought that men in whom they were interested were going to be interfered with. The Senator knows how hard it is to get such a bill through both Houses.

Mr. REED. Does the Senator say he opposed the bill?

to an appropriation bill granting to the President some such powers as are contained in this bill, and after a prolonged controversy the amendment was agreed to in the Senate.

Mr. OVERMAN. Yes; and I had the valuable assistance of

the Senator from Arkansas in getting it through.

Mr. ROBINSON. I think it is not improper to say that I make this statement in reply to the innuendo of the Senator from Missouri that the Senator from North Carolina long deferred action on this matter after he knew the necessity existed. I think the Senator from North Carolina has been very diligent.

Mr. REED. I think the Senator from Arkansas was sufficiently plain without his explanatory note, but I venture the assertion that the Senator from North Carolina has never brought forward a general plan proposing to have the departments of the Government reorganized. If he has, it never reached such a stage as to generally challenge the attention of Congress. may have been offered as an amendment to a bill.

Regardless of that, I want to ask the Senator from North Carolina if he is undertaking to say to Congress now that the real purpose of this bill is to accomplish the kind of reorganization that President Taft had in mind, and if it is now proposed during this war to undertake a general reorganization of the departments of the Government to carry out the kind of pur-

pose President Taft had in mind?

Mr. OVERMAN. The President wants to do it, so far as the war is concerned, to help him better fight the war. But I was stating what we did. The Senator talks about plans. He does not remember the great debate here and the speech of the Senator from Arkansas [Mr. Robinson] and the speech of the Senator from Kansas [Mr. Curtis] and the speech of the Senator from Utah [Mr. Smoot], advocating the amendment which passed the Senate but went out in conference. I did get up a plan in time of peace to do just what this bill provides for.

But it is not proposed to do that now because we have placed a limitation on the President. It has all got to go back after the war. It can only be done while we have the war, and he can not expend a dollar for any other purpose than it was ap-

propriated for.

Mr. ROBINSON. The authority sought to be conferred on the Executive in the provision which was adopted in the Senate a year or two ago was broader than the authority which is proposed to be conferred here.

Mr. OVERMAN. That allowed the President to act and it gave Mr. Taft power to act. This does not give the President any power to act except as Congress gives him power to coordinate and bring together the departments.

Mr. REED. Does the Senator mean to say that this bill does

not give him power of action?

Mr. OVERMAN. It says he has the power to coordinate and bring them together in a scientific manner to fight the war.

Mr. GALLINGER. Will the Senator from North Carolina

give the date of the amendment which he offered?

Mr. OVERMAN. Yes; I will come to it directly. been diverted or I would have done so long ago. I will come to those matters. I want to read what Mr. Hughes said; but, first, I want the Secretary to read one paragraph from Mr.

Taft's message. It is marked.

Mr. SMITH of Georgia. What volume is it in?

Mr. OVERMAN. I will ask the Secretary to state that. I was reading from the message under date of March 13, 1911. That was the next year.

The Secretary. Reading from volume 1 of House Document 104, No. 1252, Economy and Efficiency Report, Miscellaneous, Sixty-second Congress, third session, page 2:

This vast organization has never been studied in detail as one piece of administrative mechanism. Never have the foundations been laid for a thorough consideration of the relations of all of its parts. No comprehensive effort has been made to list its multifarious activities or to group them in such a way as to present a clear picture of what the Government is doing. Never has a complete description been given of the agencies through which these activities are performed. At no time has the attempt been made to study all of these activities and agencies with a view to the assignment of each activity to the agency best fitted for its performance, to the avoidance of duplication of plant and work, to the integration of all administrative agencies of the Government, so far as may be practicable, into a unified organization for the most effective and economical dispatch of public business.

Mr. OVERMAN. Mr. President, I think I will read along that line, as to the powers which Congress ought to give to the President in time of war, extracts from an address of the late Republican candidate for President, who was an Associate Justice of the Supreme Court of the United States, as everybody knows, and who is recognized as a great lawyer. This is an address which was delivered by Mr. Hughes on September 19, 1917. It seems as though it were prophetic, and reads as if it was an argument for this bill. This address was delivered before the American Bar Association.

Mr. KNOX. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. OVERMAN. Yes, sir; gladly.

Mr. KNOX. Before the Senator reads that extract from the address of Mr. Hughes I should like to make an inquiry in relation to the message of Mr. Taft. Is this not the difference between what Mr. Taft proposed and what this bill proposes:
Mr. Taft proposed that there should be a readjustment of administrative officers by legislation, while this bill proposes that
it shall be done by Experimental Table 1. it shall be done by Executive order? Is that not the difference between the two?

Mr. OVERMAN. No, Mr. President; I think not. I will show that Congress is not carrying out the recommendations of the

President as to giving him power.

Mr. KNOX. What I mean is this: Mr. Taft did not request Congress to give him the power to make this redistribution of functions between the different administrative officers of the Government, as I recollect.

Mr. OVERMAN. He asked that power, I think.
Mr. KNOX. In the position in which I happened to be
in Mr. Taft's Cabinet at the time—although I do not claim any special recollection of the circumstances—as I understood it, Mr. Taft desired that Congress should provide a new system predicated upon a report of a board of experts. That board predicated upon a report of a board of experts. was appointed, and he reported the findings of the board to Congress through this message.

Mr. OVERMAN. I will not deny that. As the Senator from Pennsylvania says that was his understanding, of course I will not take issue with him. Now, here is what Mr. Hughes

Each of these powers, that of Congress and of the President, is the subject of a distinct grant; each is the complement of the other, and together they furnish the adequate equipment of authority for war. There is no more impressive spectacle than that of the President of the Republic in time of war, when, in addition to the other great powers of his office, he acts in supreme command of the armed forces of the Nation and conducts its military campaign. It was under this power that President Lincoln defended the Proclamation of Emancipation. * *

It is also to be observed that the power exercised by the President in time of war is greatly augmented outside of his functions as Commander in Chief through legislation of Congress increasing his administrative authority.

It looks as though he were talking about this bill when it was introduced nearly a year afterwards-

War demands the highest degree of efficient organization, and Congress, in the nature of things, can not prescribe many important details as it legislates for the purpose of meeting the exigencies of war.

That is just exactly this case. The President finds something occurring every day as to which he would like to have authority to coordinate certain departments. There are 7 great auditors; 12 great supply-purchasing bodies; and he is met with them beating against each other-jealous of each other.

Never is adaptation of legislation to practical ends so urgently required—

Is not that pretty good authority?

Is not that pretty good authority?

Never is adaptation of legislation to practical ends so urgently required, and hence Congress naturally in very large measure confers upon the President the authority to ascertain and determine various states of fact to which legislative measures are addressed. Further, a wide range of provisions relating to the organization and government of the Army and Navy, which Congress might enact if it saw fit, it authorizes the President to prescribe. The principles governing the delegation of legislative power are clear, and while they are of the utmost importance when properly applied, they are not such as to make the appropriate exercise of legislative power impracticable. The legislature can not delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must depend which can not be known to the lawmaking power, and must, therefore, be a subject of inquiry and determination outside of the halls of legislation.

Many things occur every day that are not known to the law.

Many things occur every day that are not known to the lawmaking power; and right here, Mr. President, if you will parmaking power; and right here, air. Freshent, it you will par-don me for diverging, some Senators say, "We want to know what the President wants to do; tell us what he wants, and we will give it to him." That was one of the arguments before the committee. Why, Mr. President, the President does not himself know. What he desires is to be in a position to act,

and to act quickly, when it is necessary to act.

Why, let me tell you this: They have been shooting populu bills through the Senate and the House of Representatives. It is the hardest matter to get them through, but they have been shooting them through here day after day; 8 or 10 little popular bills have passed here. But, if the President had the authority which this bill is designed to give him, what was desired to be accomplished by those bills could have been attained without delaying Congress. If you want him to come to Congress every time he desires to act, and have one Senator

standing up here and talking for an hour, and another, maybe, talking three hours, and then there be an adjournment on him, the war would be over before you passed the legislation. That is the history of these bills. Let us give him the general authority to act, and save time and money and enable the Commander in Chief to efficiently fight this war.

Mr. LODGE. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. OVERMAN. I yield.
Mr. LODGE. I simply desire to call attention to exactly what Mr. Taft did ask. Here it is:

My desire is to secure and to furnish to the Congress a scheme of organization that can be used as a basis of discussion and action for

organization that can be used as a basis of discussion and action for years to come.

In the past, services have been created one by one as exigencies have seemed to demand, with little or no reference to any scheme of organization of the Government as a whole. I am convinced that the time has come when the Government should take stock of all its activities and agencies and formulate a comprehensive plan with reference to which future changes may be made. The report of the commission is being prepared with this idea in mind. When completed it will be transmitted to the Congress. The recommendations will be of such a character that they can be acted upon one by one if they commend themelves to the Congress and as action in regard to any one of them is demed to be urgent.

Mr. OVERMAN. Mr. President, that was the first message sent to Congress in order to get the authority to appoint this commission of 12 men. Then there came back this report, which I had read from the desk, to Mr. Taft. Not only did Congress act in one case but acted in two or three instances, as I am going to show. There is precedent for this all along the line in time of peace and in time of war. You will not deny this power to him. What, then, does Mr. Hughes say? H says:

Congress can not be permitted to abandon to others its proper legislative functions; but in time of war, when legislation must be adapted to many situations of the utmost complexity, which must be dealt with effectively and promptly, there is special need for flexibility and for every resource of practicality; and, of course, whether the limits of permissible delegation are in any case overstepped always remains a judicial question. We thus not only find these great war powers conferred upon the Congress and the President, respectively, but also a vast increase of administrative authority through legislative action springing from the necessities of war.

The action we ask here is just that which Mr. Hughes says the President must have in order to successfully fight the war. That is all we ask.

Mr. HARDWICK. Mr. President—
Mr. OVERMAN. I yield to the Senator from Georgia.
Mr. HARDWICK. I want to ask the Senator a question. He conceded that for the purpose of waging war more effectually it is desirable to confer on the President this flexibility of administrative power and the power of reorganizing the bureaus and the departments that are directly or even remotely connected with the waging of war. How does that argument apply at all to a bureau or department of the Government, like the Post Office Department, utterly disconnected with the war

and dealing only with civic affairs of the people?

Mr. OVERMAN. Mr. President, I am going to show the interrelation of the Post Office Department with the carrying of the

mails to the soldiers.

Mr. HARDWICK. Oh, well, that is such a remote connec-

Mr. OVERMAN. I will show to the Senator that every one of the departments has some connection directly or indirectly with war.

Mr. HARDWICK. Of course, if the Senator is going to contend that everything on earth, every activity, civil and everything else, is connected more or less remotely with the war, I am not inclined to dispute that.

Mr. OVERMAN. I am going to show the Senator directly, when I come to it, that every one of them is directly related

to the war in some of its functions.

Mr. HARDWICK. Therefore, this bill includes everything? SMITH of Georgia. And the exception amounts to

Mr. HARDWICK. Yes; the exception is not worth while, because the bill means to include everything.

Mr. OVERMAN. What exception? Mr. HARDWICK. I refer to the l

I refer to the limitation proposed to be put on this power with relation to matters connected with the war. It amounts to nothing under the broad construction laid down by the Senator from North Carolina. The bill is a blanket Mr. OVERMAN. Not at all.

Mr. HARDWICK. It is not limited to war activities at all.

but covers every civic function.

Mr. OVERMAN. No; it only covers matters in the depart-

ments relating to the war.

Mr. HARDWICK. But the Senator says everything is related to the war.

Mr. OVERMAN. I said every department has something in it that is related to the war.

Mr. HARDWICK. Therefore, all the departments are in-

cluded in the terms of the bill?

Mr. OVERMAN. Yes; all of the departments, more or less, in some way, through one or more bureaus or agencies, are connected with the war.

Why, Mr. President, I was criticized for stating here once

that the Agricultural Department had nothing to do with the war. It has not, outside of the question of food production. A gentleman came to me the other day from up North-the president of a great manufacturing concern. He said he went before a little fellow sitting up in the Quartermaster's Department, having been sent for in order that the Government might find out how much caustic soda could be obtained and where it was manufactured. The Government official turned around and said, "What do you mean by caustic soda, any-Yet caustic soda is one of the ingredients of the greatest explosive known to the world in making picric acid. If we had a right to coordinate the Chemical Bureau of the Agricultural Department, the Chemical Division of the Bureau of Mines, and the chemical bureaus of some of the other departments, we would have one great bureau or agency to help in the discovery of these explosives and to consider their possibilities, instead of having different bureaus considering this subject scattered around, having men doing one thing in one department and something else in another department. should be coordinated in one great department or bureau.

Mr. HARDWICK. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. OVERMAN. I yield. Mr. HARDWICK. Let me see if I understand the Senator, because it affects very vitally my own position on this matter. The Senator has just told me that, in his opinion, practically everything in this country

Mr. OVERMAN. No; I did not say that.
Mr. HARDWICK. The Senator said "everything."
Mr. OVERMAN. I said there was some agency or bureau in each department of the Government which was directly connected with fighting this war.

Mr. HARDWICK. If the Senator will pardon me, I do not want to be captious in any way; but I think the Senator's statement went even further than that.

Mr. OVERMAN. I did not intend to go further. Mr. HARDWICK. Very well, I accept the Senator's modified statement, then. Now, under any such broad construction as the Senator indicates and under any such broad latitude of power as the Senator lays down, there will be practically nothing that is exempt from the operation of this proposed law, and many things that, in my judgment, at least, and I think in the judgment of other Senators, touch only the civic activities and the civic functions of the Government will be embraced under this war measure.

Mr. OVERMAN. No; my friend is in error as to that.

Mr. HARDWICK. I wish we could draw a line between the

Mr. OVERMAN. I do not think the Senator has read the amendment.

Mr. HARDWICK. Oh, yes; I have read it very carefully.
Mr. OVERMAN. It confines the provisions of the bill to those matters in the departments directly connected with the

Mr. HARDWICK. If the Senator will pardon me—and I am not going to detain him much longer—that is a matter of con-Some people are construing it, in fact the people who must administer the proposed law are construing the provisions of this measure to cover everything on earth that has even the most remote and indirect connection with the war, and even by the most remote indirect and roundabout processes of reasoning. That is the trouble v th it.

Mr. OVERMAN. There is a limitation as to the departments;

in fact, there are five different limitations. The President has to construe it that this authority is given in matters relating

to the conduct of the war.

Mr. HARDWICK. Let me illustrate—
Mr. OVERMAN. And it must be left to him.
Mr. HARDWICK. But the National Legislature has got to have some rights about this matter, too.

Mr. OVERMAN. The National Legislature has, Mr. HARDWICK. If it does not surrender them, yes, Mr. OVERMAN. We do not surrender them; we put this limitation in.

Mr. HARDWICK. We delegate them, then.
Mr. OVERMAN. No; we put a limitation in the bill.
Mr. HARDWICK. The Senator says "everything connected with the war." Suppose it was the construction of some man connected with the Government, and that construction was finally approved by the President, that one of the things necessary to do to prosecute the war adequately was to determine the kind, character, quality, and quantity of crops that should be planted in this country, would that be connected with the war in the judgment of the Senator?

Mr. OVERMAN. I do not think the President would exercise power such as that under the bill; but I do not see why that

is not connected with the war.

Mr. WOLCOTT. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Delaware?

Mr. OVERMAN. I yield. Mr. WOLCOTT. Is not the manifest answer to the Senator from Georgia this, that this bill deals with the transfer of executive functions, and such a thing as designating what crops shall be planted is as remote from this bill as pole is from pole?

Mr. HARDWICK. But the answer to that is, I suggest to my distinguished friend from Delaware, that under that sort of construction any and every branch of the Department of Agriculture could be included in this bill? That is what I am

leading up to.

Mr. OVERMAN. I think the Senator is mistaken.

Mr. President, I shall not read it, because I have already taken too much time of the Senate, but I wish to put in the RECORD a quotation on this subject from William Archibald Dunning, professor of history in Columbia University. I do not indorse all the author says, but the extract advocates the enactment of such legislation as is now proposed.

The PRESIDING OFFICER. Without objection, the matter

will be printed in the RECORD.

The matter referred to is as follows:

[From Dunning, William Archibald, professor of history in Columbia University, Essays on the Civil War and Reconstruction. Macmillan Co., 1904, pp. 58-59.]

Co., 1904, pp. 58-59.]

The commander's privilege (in the Civil War) of doing whatever he regarded as likely to weaken the enemy was freely employed as a warrant for congressional action. Both legislature and Executive were on this theory "above law." Hence while Congress was endowed with authority to legislate entirely at its discretion, the President was privileged, at his discretion, to disregard all this legislation. Where such a conclusion was possible, the principle of departmental check and balance was obviously of little significance. Good statesmanship in both Executive and legislature preserved the harmony of the two branches till the strain of armed hostilities was relaxed, but no longer. In the work of destruction the President was the real Government and Congress kept in the background; in the work of reconstruction Congress asserted once more its controlling power and violently put the President into the background.

Mr. OVERMAN. I also ask to insert in the Record, without reading, an extract from the work entitled "The Civil Law and the Constitution," by John W. Burgess, dean of the faculty of political science in Columbia University.

The PRESIDING OFFICER. Without objection, permission

is granted.

The matter referred to is as follows:

The matter referred to is as follows:

[From Burgess, John W., dean of the faculty of political science in Columbia University. The Civil Law and the Constitution. Charles Scribner's Sons, 1901, vol. 1, pp. 232–233.]

Congress (in 1861) placed the Government on the war footing, ratified the President's assumption of war powers, and on the 6th of August adjourned, leaving the President practically in the position of a military dictator. This was good political science and good public policy. It was also sound constitutionally. In periods of extreme peril to the political life of a nation individual liberty, federalism in government, and even coordination of government departments must give way temporarily to the principle of executive dictatorship. It is a desperate remedy, a remedy of last resort, but it is one which every complete political system must contain, and under certain proper conditions employ. The two most modern constitutions of federal government, those of the German Empire and of Brazil, made express provision for it. They authorize the executive in periods of extreme public danger to suspend the ordinary law and establish martial law. There is no question that the Constitution of the United States authorizes the Congress and the President, acting together, to do the same thing. The clauses of that instrument which vest in Congress the power to raise armies, provide for calling the militia into the service of the United States for repelling invasion and suppressing insurrection, and to declare war, and in the President alone, and it is altogether gratuitous to concede that the Government of the United Power of the whole Government, if not of the President alone, and it is altogether gratuitous to concede that the Government of the United States overstepped its constitutional powers, and acted on the principle that necessity knows no law in preserving the Union by force against dissolution. It overstepped its ordinary limitations, but it had, and has, the constitutional right to do that in periods

authority, but behind all that they did or could or can do was and is the Union, the Nation, whose preservation is the supreme principle back of the Constitution and the supreme law within the Constitution, any other view of these relations is unspiritual, is purely arbitrary and mechanical.

Mr. OVERMAN. I also ask permission to insert in the RECORD, without reading, an editorial from the Nation.

The PRESIDING OFFICER. Without objection, it is so

ordered.

The matter referred to is as follows:

[From editorial in the Nation, New York, v. 104, p. 568, May 10,

Another thing not to be forgotten is that all these extraordinary powers to be given the President are emergency powers. This means two things. One is that the grant is valid only for the duration of the war. It is not a question of the laws being silent in the midst of arms. The point is, rather, that Congress is asked to make it lawful for the President to do many things while the armed conflict lasts which it would never think of authorizing him to do in times of peace. It is a gift of power in order to avoid the usurpation of power. Moreover—and this is the second implication of what is being done at Washington—the immense powers placed in the hands of the President he may not find it necessary to use at all. Their mere existence may be sufficient to accomplish the purpose. * * *

It is said—a few Congressmen are saying—that it is dangerous to pass laws enhancing the authority of the President so enormously. Some fear that we shall discover that we have created a dictator. Of course, any grant of power may be abused by any official. But no system of checks and balance, no vigilant legislative oversight, can do away with the necessity of getting officials whom we can trust and then giving them the tools with which to do their work. There were many critics of Lincoln during the Civil War who called him a usurper and a dictator. It is true that in him the necessities of the war led to reposing a confidence and an authority before that time unparalleled. John Hay wrote privately of Lincoln as a sort of Tycoon, going his own way, seldom holding meetings of the Cabinet, running the Army and Navy and conducting foreign affairs according to his own will. But no one to-day would speak of Abraham Lincoln as grasping at overweening power for its own sake or to further a personal ambition. His mighty spirit was wrestling with the great work of ending the war; and that once done, he was ready to lay down every scrap of dictatorial power and be again one with the people who were bone of his bone and flesh of his flesh. A

Mr. OVERMAN. I also ask permission to have printed in the RECORD, without reading, a quotation from an editorial in the New Republic.

The PRESIDING OFFICER. Without objection, permission granted.

The matter referred to is as follows:

[From editorial in the New Republic, New York, vol. 13, p. 360, Jan. 26, 1918.]

When Congress proposes plans for reorganizing the war administration it is only reflecting the opinion of a majority of the American people. Mr. Wilson will be falling into the first grave mistake of his career if he permits his opponents to crowd him into the position of ignoring facts, of resenting criticism, and of rigidly opposing reorganization. That was the mistake which Mr. Asquith made in the spring of 1915, and it cost himself and his country dear. The President's personal and partison enemies are making use of the crisis in order to force on him, if possible, a mechanism of war administration which would tend to hamper rather than to help him and his Cabinet and which could only add to the existing confusion. He is justified in opposing this particular bill But if he fails to recognize the necessity of some measure of reorganization which will make in favor of a more unified war administration and a more vigorous conduct of civil and military preparations he will be misjudging the needs and opinions of the Nation and failing to meet his own obligations to satisfy them. There is still time and space in which to deliver himself and the country from the deplorable consequence of a fight in the midst of war between the executive and legislative branches of the Government. He can still offer as a substitute for the doubtful plan or reorganization proposed in the Senate bill a plan of his own which would be better designed to secure a similar result. If he would only adopt this course, he would not only break the force of the attack of his enemies and enable his friends to continue their undivided support, but he would do away with the most formidable threat which has yet been directed against the war morale of the American Nation.

Mr. OVERMAN. I have other quotations from distinguished men of this country indorsing this bill, but I shall not encumber the RECORD with them.

Mr. President, I said there was precedent for this proposed legislation. I see the Senator from Missouri is present. Here is the amendment which I introduced to the legislative appropriation bill in 1917:

SEC. 8. The President is hereby authorized to take action looking to a proper and scientific coordination of the work of the various executive departments of the Government; and he is hereby requested to report upon the question of transfer and consolidation of bureaus, divisions, offices, and other governmental activities, in order that duplication of service may be abolished and extravagance and unnecessary expenditures climinated.

As agreed to in conference, and as it appears in the law, the provision is as follows:

Sec. 8. The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after

such report shall have been made to him, wherever he finds such duplications to exist to abolish the same. Report of the action taken hereunder shall be made to Congress at its next regular session.

That is the law which was enacted.

Mr. REED. When?

Mr. OVERMAN. March 3, 1917.

Mr. REED. It is on the statute books now?
Mr. OVERMAN. It is.
Mr. REED. Then that law giving the President the power to do the very thing which the Senator says President Taft desired has been upon the statute books since what year?

Mr. OVERMAN. March, 1917. Mr. REED. March, 1917. It has been on the books all these months, and it is there now.

Mr. OVERMAN. Yes.

Mr. REED. And hence there is no necessity of conferring

Mr. OVERMAN. Mr. President, we conferred that power efore. Why not confer it now?

before.

Mr. REED. You do not need to confer it now; it already exists.

Mr. OVERMAN. This bill gives the same power as that conferred by the amendment which I prepared more than a year ago, and which Congress enacted into law in a modified form, and yet under that provision the President can not accomplish what he desires, for the reason that the power is limited and the President must wait for the report of a certain commission, which never have made any report, and can not make a report, because they are employed in other matters connected with the war. Whenever such a report is made, if one ever shall be made, the President will have the right to act under the provisions of the law.

That is why he ought to have the right that is proposed to be given him by this bill. I believe the Senator from Iowa [Mr. Kenyon] and other Senators supported the amendment

which I have already quoted.

Mr. REED. Mr. President, let me ask the Senator a ques-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. OVERMAN. I yield.

Mr. REED. Let me read the amendment to which the Senator has referred:

SEC. S. The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon; and the President is hereby authorized, after such report shall have been made to him, wherever he finds such duplications to exist to abolish the same.

Now, I want to ask the Senator a question: The President is authorized by this provision to abolish duplications. The Bureau of Efficiency has been in existence for how many years? Can the Senator tell me?

Mr. OVERMAN. I can not; but it has been in existence for several years.

Mr. REED. Does the Senator mean to say that the Bureau

of Efficiency has made no report as yet?

Mr. OVERMAN. I want to say that I sent for the chairman of that bureau when I had this bill before me, knowing that my amendment in modified form had been adopted, and asked him if he had made any report. He said no; that the war came on, and he had not been able to make a report; that he had been employed in the War-Risk Insurance Bureau in the effort to devise a system for that work, and it was impossible for him to do the other work.

Mr. REED. Then, if duplications are found, the power exists, as soon as a report can be made by the commission, to abolish those duplications. So that all the argument of the Senator in regard to the necessity of giving the President the power to

abolish duplications is void and of no effect.

Mr. OVERMAN. I think the Senator's question answers

itself.

Mr. SMITH of Georgia. Has not this board been at work for two or three years, and has it not submitted its report on the subject of duplications?

Mr. OVERMAN. No; the chairman told me he had not been able to submit a report; that they had not had time to make a report

Mr. SMITH of Georgia. Has not the board been at work?

After war was declared, the chairman said, Mr. OVERMAN. they had not been able to do the work and did not prepare any report at all.

Mr. SMITH of Georgia. Here [indicating] is a report

Mr. OVERMAN. Oh, I wish somebody would read that re-ort. It is in answer to a resolution passed in Mr. Taft's administration, showing instances where there ought to be mit them to Congress.

coordination and scientific rearrangement in the departments of the Government.

Mr. WOLCOTT. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Delaware?

Mr. OVERMAN. I do.

Mr. WOLCOTT. In order to make clear the particular point that has just been discussed, I wish to ask the Senator if this is not the situation: The law which is on the statute books, and which the Senator from Missouri has just read, has to do only with the duplication of service in the departments, whereas this bill is not primarily related to the question of duplications at all, but it is its purpose to establish, bring together, coordinate, and consolidate.

Mr. OVERMAN. That is the reason I said that the question of the Senator from Missouri answered itself, because the bill

does not propose to deal with duplications primarily.

Mr. REED. I directed my remark to the argument made by the Senator from North Carolina, largely concerned with the question of duplications. I simply called attention to the fact that the power already existed to abolish duplications.

Mr. OVERMAN. Duplications; yes. That is the reason I said that the Senator's question answered itself, because this

bill does not refer to that.

Mr. President, within the last 12 months we have appropriated more than \$23,000,000,000 without a financial policy. for departmental expenditures have literally poured into Congress day by day without any centralized scrutiny, revision, or control. The President has no power and no organization to sift them down to the rock-bottom needs of the Government. The estimates for appropriations are being sent into Congress according to old statutory regulations made to meet the needs of other days when the entire expense of the Government was less than half a billion dollars a year. There has been no readjustment of our methods of finance since we entered the war. The Public Treasury bears a relationship to the conduct of the war in no less a degree than the Army and the Navy. A strong financial policy, worked out and enforced with vigor and efficiency is absolutely necessary to insure the proper carrying out of the military and naval program.

Mr. SMITH of Georgia. Has not the Secretary of the Treasury the right to do this work to-day, to bring together the reports of the various departments and submit the result to

Congress?

Mr. OVERMAN. Mr. President, that is the difficulty. time of the Secretary of the Treasury is so engrossed that when the heads of the departments send to him estimates calling for billions and billions of dollars it is impossible for him to go through them. There ought to be some coordinated body to scrutinize every estimate that comes here.

Mr. GALLINGER rose.

Mr. OVERMAN. I see my friend on my right rises. He is on the Appropriations Committee, and he sees the importance of some legislation along this line, even in times of peace.

Mr. GALLINGER. The Senator's friend rose to ask him how many assistants the Secretary of the Treasury has at the present

time?

Mr. OVERMAN. He has four or five, but the Senator knows how these things are done. The estimates come down here from the departments, and we just take them oftentimes without ever being able to scrutinize them as they should be scruti-

Mr. GALLINGER. They come with the authority of the Sec-

retary of the Treasury; that is the way they come Mr. SMITH of Georgia. I hope they will do better, so as to

Mr. OVERMAN. I hope so; and if you will give this power

believe they will. Mr. SMITH of Georgia. How will they need this power to

do it?

Mr. OVERMAN. There are plenty of departments of the Government which send estimates here that never go to the Treasury Department. The Senator knows that. The President under this bill will be able to establish a different system.

Mr. SMITH of Georgia. Mr. President, I do not understand that that is the case; I know it is irregular, if it is done.

Mr. OVERMAN. No; it is not. Mr. KELLOGG. Mr. President

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. OVERMAN. Yes. Mr. KELLOGG. I do not understand that the Secretary of the Treasury has any power over the estimates of the War and Navy and other departments at all. All he can do is to transMr. OVERMAN. That is what I am talking about.

Mr. KELLOGG. That is what I thought.

Mr. OVERMAN. The head of a department makes an estimate, which is sent to the Secretary of the Treasury, and he merely forwards it to Congress; he often can not look at it, and he has not the authority or power to change it.

Mr. KELLOGG. He simply transmits the estimates to Con-

gress?

Mr. OVERMAN. Yes; and there ought to be somebody that could take charge of such matters even in times of peace.

Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. OVERMAN. I do.

Mr. KNOX. If the Senator will permit me, the rule is that every department makes out its own estimates; and they are only transmitted to Congress through the Treasury Department as a purely formal matter.

Mr. OVERMAN. That is exactly as I understand the matter. Mr. OVERMAN. That is exactly as a funderstand the Mr. GALLINGER. Then, it becomes the duty of the committees of Congress to look the estimates over and determine whether or not it is proper to make the appropriations.

Mr. OVERMAN. Certainly; and when estimates for billions

of dollars are sent down to Congress, as has been the case sometimes, the Senator and I and other members of the Committee on Appropriations are called together and we have to take the statements sent to us and vote for the appropriations.

If we had coordination in this work and a body to look into and scan every appropriation that is asked for, I believe we would

save millions of dollars annually.

Mr. GALLINGER. Now, as a matter of fact, have not these appropriations of billions of dollars all come at the request of the President of the United States, to whom you want to give

Mr. OVERMAN. No, Mr. President; the President sends down what is sent to him by his chiefs. There ought to be somebody to overlook and scan all these estimates for appropriations before they are sent to the President. The President has not the time to look over all of them; obviously that is impossible. Let us talk common sense. I do not mean to say the Senator from New Hampshire does not always talk common sense; but so far as I am concerned-

Mr. GALLINGER. The Senator does not offend me at all: but the Secretary of the Treasury is very closely allied with the President of the United States in his official duties. Now, is it not a fact that these great estimates of appropriation come here with the sanction of the President of the United States?

Mr. OVERMAN. The President merely signs them. As the Senator from Pennsylvania [Mr. Knox] has said, each department or each bureau that wants any money makes an estimate and sends it to the Secretary of the Treasury; but at a time like this, when we appropriate billions of dollars-\$23,000,000,000 last year-the Secretary of the Treasury can not look them over; but they are sent to the President, and the President signs them just as they are sent to him.

Mr. SMITH of Georgia. Does not the Senator think that the President of the United States could provide now for the examination and consolidation of the estimates from the various departments? Are not the estimates from the departments simply the estimates of the President, acting through the various heads of the department, and has he not now authority to consolidate and compare and bring together those various estimates?

Mr. OVERMAN. No; the law requires that each department shall prepare its own estimates. If there were some board that could look over all the estimates, it would be a great aid to

In my judgment the President under this bill would be able to establish a system of interdepartmental financial control, and could thus, as Commander in Chief, lay before Congress from time to time a consolidated statement of his financial needs.

Mr. President, some one has said that the Department of Justice was an exception; it has been argued that that department has nothing to do with the war. Let me tell you what I find after a few days' investigation. I find that there is an intelligence bureau in the Department of Justice; I find there is one in the War Department; I find there is one in the Department of the Navy; I find that there is one in the Treasury Department. There ought to be but one intelligence department, instead of four or five working against each other and jealous of each other. That is the trouble with this country to-day. We have men in one department working on a certain line, and men in other departments working along the same line; instead of having one great consolidated intelli-gence bureau that could run down the spies and bring them to

justice, we have the intelligence bureaus split up. One of the agents himself said to me the work along this line is often greatly demoralized. They run across something that they desire to investigate, but the War Department says, "this is our business," and then another department, perhaps the Navy Department, says, "it is our business." Let us get them working together in one intelligence bureau, so that a combined

effort may be exerted.

Mr. CUMMINS. Mr. President, I think the Senator from North Carolina is quite right in saying that there ought to be a consolidation of these intelligence bureaus or secret-service systems. I promise the Senator from North Carolina to do the best I can toward showing him, before we are through with this debate, that the President has ample and complete power at this time to consolidate those so-called bureaus, and dismiss all but one of them. I may say, while I am on my feet, that with regard to the creation of a board which shall have the power to revise the estimates of the various departments of the Government, this bill does not give the President any such power as that, although I think it is a power that he ought to have. I am in favor of the so-called budget system of dealing with our appropriations; but the very thing that the Senator from North Carolina desires is the very thing that is not in this bill at all.

Mr. LODGE. Mr. President, if the Senator will allow me a

moment-

Mr. OVERMAN. I yield to the Senator from Massachusetts. Mr. LODGE. I think the Senator inadvertently made a mistake in speaking about the intelligence bureaus. very different from the secret service. I agree that there are three secret services, as I understand-Mr. OVERMAN. More than that.

Mr. LODGE. And there may be more; but the naval intelligence is a wholly different thing. That is something relating entirely to the Navy, and has nothing to do with espionage, or spies, or criminals of any sort.

Mr. OVERMAN. I may be wrong about that.

Mr. LODGE. It is to gather intelligence for the Navy. They

have it in time of peace as well as in time of war.

Mr. OVERMAN. I may be wrong about that. I saw that there was a naval intelligence bureau, and I thought it exercised functions along this same general line, but I feel very sure there is a secret-service bureau in connection with the Navy.

Mr. CUMMINS. Mr. President-

Mr. OVERMAN. I yield to the Senator from Iowa.

Mr. CUMMINS. I used the word "intelligence" simply because the Senator from North Carolina did, although I tried to qualify it immediately by a reference to the secret-service systems of the various departments.

Mr. OVERMAN. Now, Mr. President, I told the Senator from Georgia that I would show how certain things in certain departments were correlated or interrelated with the war power not to say that the President would exercise it, but he ought to

have authority to do it.

In the Department of State—the Senator from Pennsylvania [Mr. Knox] was once the great head of that great departmentthere is a foreign trade adviser, who has general supervision over foreign-trade matters and diplomatic and consular correspondence relating thereto. There is a Diplomatic Bureau which has charge of diplomatic and miscellaneous correspondence relating thereto. There is a Division of Foreign Intelligence, which has censorship and control of the departmental publicity under the direction of the Secretary; disseminates information to diplomatic and consular officers and information for publication abroad; has a telegraphic-news service to diplomatic missions abroad; has charge of publicity matter concerning the foreign policy of the United States, and of giving out information relating thereto to the press and to officials. There is a Division of Latin American Affairs; a Division of Mexican Affairs; a Division of Far Eastern Affairs; a Division of Near Eastern Affairs; a Division of Western European Affairs; a Consular Bureau, having charge of consular and miscellaneous correspondence relating thereto; a Bureau of Citizenship, which examines applications for passports, issues passports, receives and files evidence, and so forth, and conducts correspondence relating to the protection of American citizens abroad. That is one of the most important divisions connected with the war to-day.

The Department of the Treasury has the management of war finance and the auditing of war and other Government expenditures through six independent auditors. They are there in time of peace, and if you will let me digress, I do not see why we should have six auditors. The President of the United States, then Mr. Taft, suggested that they be made into one or two. We have six now, and to get a belt buckle paid for, or a man's

laundry paid for, it has to go from auditor to auditor. A man told me that a little account of 75 cents had to travel about 5,000 miles and be indorsed by an army of men almost before it could be paid. It went from one place to another, and back That is the trouble that Mr. Willard encountered; that is the trouble that Mr. Gifford encountered; that is the trouble that Mr. Catchings, the head of the American Chamber of Commerce, encountered. They said that when they came here they found all these things, and said that something ought to be done about it. So does the Senator from New York [Mr. Wadsworth] say that there ought to be coordination and centralization of power. So does the Senator from Nebraska [Mr. HITCHCOCK] say, on this floor, that there ought to be coordination and centralization of power. So does the Senator from Oregon [Mr. Chamberlain] say that there ought to be coordination and centralization of power. Everybody says there is too much red tape. Let us cut the red tape and do what the Senator from New York wants-not in the way he wants to do it-but let us give the President authority to coordinate.

Mr. SMITH of Georgia. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. OVERMAN. I do.

Mr. SMITH of Georgia. The Senator has requested that we read the testimony of these experts, Mr. Gifford and others, to whom he refers. I have read their testimony, and I should like to have the Senator show anything in that testimony that goes substantially beyond the proposition that we need a direc-

Mr. OVERMAN. Mr. President, I will do that. I will

The Department of the Treasury, as I said, has the management of war finance and the auditing of war and other governmental expenditures through six independent auditors, as fol-

(1) Auditor for the Treasury Department.

(2) Auditor for the War Department, including the audit of war expenditures abroad.

(3) Auditor for the Interior Department.

(4) Auditor for the Navy Department.(5) Auditor for the State and Other Departments.

(6) Auditor for the Post Office Department.

It also has a secret service.

The Department of Justice has to do with the detection and prosecution of violations of the espionage act, the detection and prosecution of violations of the draft act, and the detection and prosecution of violations of all other such war legislation.

Then there is the Post Office Department, in which the Senator from Georgia is interested, having charge of the handling and transportation of soldiers' mail, the exclusion of seditious and treasonable matter from the mails, the transportation and delivery of Government war correspondence, and the transportation of all foreign mails and the consideration of all questions arising thereunder. That is directly connected with the

Under the Department of the Interior there is the Commissioner of Patents, having supervision of all matters relating to the granting of patents, including patents for war devices, and so forth. Here are all these patents being issued for matters relating to the war, of which he has supervision. Then there is the Commissioner of Pensions, who administers the military and naval pension laws; also the Director of the Bureau of Mines, who has charge of the administration and enforcement of the act of October 6, 1917, to prohibit the manufacture, distribution, and so forth, of explosives, and providing regulations for the safe manufacture, distribution, storage, and so forth, of the same.

In the Department of Agriculture there is the Office of Farm Management, which studies farm economics and the application of business principles to farm practice; the Weather Bureau, which makes weather forecasts, collects and transmits marine intelligence for the benefit of commerce and navigation, and so forth; the Bureau of Animal Industry, which deals with the livestock industry, including eradication of disease, inspection, quarantine, and so forth; and the Forest Service, which, among other things, investigates the mechanical and physical properties of woods and gathers information concerning the needs of the various wood-using industries and the relation of forests to public welfare generally. A United States forestry regiment is now in France doing forestry work.

In the Department of Commerce there is the Bureau of Foreign and Domestic Commerce, which develops foreign trade and gathers statistics concerning foreign commerce and trade possibilities; the Bureau of Standards, one of the most important in this war, which can be used and is being used now all the time by the War and Navy Departments, which makes tests to de-

termine the quality and standardization of materials needed for Government use; the Bureau of Lighthouses, which establishes and maintains aids to navigation on the coasts and lakes and rivers of the United States and its territories; the Coast and Geodetic Survey, which surveys the coasts of the United States and prepares charts of such surveys; the Bureau of Navigation, which has general superintendence over the commercial marine and merchant seamen of the United States; and the Steamboat-Inspection Service, which inspects vessels, licenses the officers of the same, and so forth.

In the Department of Labor there is the United States Employment Service; the Bureau of Naturalization, which supervises the work of the naturalization of aliens; and the Bureau of Labor Statistics, which collects and diffuses information on problems relating to labor in this country and abroad, are two departments here bidding against each other for labor-

the Shipping Board and the Department of Labor

The Interstate Commerce Commission has only to do with work relating to the railroads, and only there as to transferring officers who are needed for this work.

The Director General of Railroads discharges functions which have been recently prescribed by Congress.

The Civil Service Commission passes upon the appointments of clerks for the various war activities of the Government. The Federal Reserve Board has duties related to war finance

and the War Finance Corporation. The War Finance Corporation has duties related to the financ-

ing of war industries.

The Federal Trade Commission investigates business methods, contracts, and so forth, related to the industrial life of the country.

The Council of National Defense has an advisory commission having relations to several fields of war activities.

The War Trade Board has control over exports, imports, and enemy trade.

We are all familiar with the work of the United States Food

Administration. The Commissioner of Priority in Transportation directs trans-

portation of war material, and so forth.

The duties of the Alien Property Custodian are well known, as

are those of the Committee on Public Information.

The United States Board of Mediation and Conciliation

settles labor disputes, and so forth. All of these are more or less connected with the war.

Therefore, Mr. President, all we want is that the President

shall be able to act when the emergency arises.

Now, let us see: This is a mighty good speech that the Senator from New York [Mr. Wadsworth] made. I think it was sent out as a campaign document. I got a copy of it. It was printed on such fine paper that I know it was not paid for by the Government. The print is so fine that I believe I will get the Secretary to read it, to save my eyes. The PRESIDING OFFICER. In the absence of objection,

the Secretary will read as requested. The Secretary read as follows:

The Secretary read as follows:

In addition, we have the Council of National Defense, composed of six Cabinet officers, with the Secretary of War as chairman, charged with the general planning and coordination of all our agencies, but utterly lacking in power to enforce its decrees. Under the Council of National Defense we have the advisory commission, composed of leaders of industry and finance, but possessing no power and performing no function but that of giving advice. We have a large number of committees and subcommittees of the advisory commission, each charged with the mobilization and organization of a particular industry, but without any power or function except that of giving advice. Out of the Council of National Defense and the advisory commission and its multitudinous committees has grown the body known as the War Industries Board, whose effort is directed toward mobilizing, organizing, and coordinating all of the resources and industries of the country for the supply of our forces on land and sea. The War Industries Board lacks power to enforce any of its arrangements. It, with all its subcommittees—and there are several—simply gives advice. Then there is a commission regulating the purchases of the allies; it, too, is without definite power. It may be that I have forgotten some of the statutory agencies and some of the advisory agencies which go to make up this vast and complicated machine. In any event, the list, as recited, is long enough. It must be apparent to every sensible man that it is utterly impossible to get any teamwork out of this conglomeration of ambitious and scattered agencies, official and unofficial, unless we create some agency that shall guide and control them all in those matters in which teamwork is essential for the accomplisment of great results.

These departments are all buying the same thing. Why not have

results.

These departments are all buying the same thing. Why not have one man buy it and give him the authority to speed up the production, to make the proportionate allotment of the contracts in the different steel mills? The truth of the situation is to-day, there being ho plan for allotting contracts and for placing Government orders, that it has been done very unevenly. Some parts of the country are overloaded with Government orders and other parts of the country have not any, and they could have had them had there been any centralized authority to plan out the distribution of the orders.

Take the question of lumber. The War Department purchases an enormous amount of lumber with which to build the cantonments; the Shipping Board purchases a tremendous amount of lumber for use in the shipyards and in the building of wooden ships. I have no doubt

the allies purchase lumber. I know that the Aircraft Board purchases vast amounts of lumber. Why not have the lumber purchased by one sgency? Why scatter the effort? Why not organize and discipline and coordinate the lumber production? Would that set back the wheels of machinery one day if it were done? Senators, it would speed it up. We have too many agencies, all trying to do the same thing.

The plain fact is that we have no agency in our war Government to-day charged with the duty of projecting its vision far into the future, anticipating the emergencies which may arise, and laying the plans by which we can meet and overcome those emergencies. I have cited the coal situation as an illustration of the penalty we must pay unless we reorganize this great effort along business lines, unless we centralize somewhere in our Government the authority and power to compel coordination between all those departments, commissions, boards, and bureaus.

We can not tell to-day just what the future may hold for us. Other emergencies will overtake us, and if we are wise and prudent and farsighted we shall establish some agency in our Government, whether it be called a war cabinet or by some other name, and it matters not at all to me whether you call it a war cabinet or not. I do not even insist that it be the result of the passage of an act of Congress. If it can be done without the passage of a bill, well and good. I do not care so very much how many men are placed on it. I do not care how they are defined and described in the bill establishing such a board. My only plea is that something of that sort be done, and done soon.

Mr. OVERMANN. Mr. President, I have a little more matter here the that I degine to submit. I think I will well the less that I decide to the passage.

Mr. OVERMAN. Mr. President, I have a little more matter here that I desire to submit. I think I will ask the Senate to take an adjournment now.

Mr. GALLINGER. Mr. President, before the Senator does that, will he yield to me?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Hampshire?

Mr. OVERMAN. Certainly.

Mr. GALLINGER. I listened very attentively to the reading from the desk, and I notice that the complaint is against the bureaus and commissions that have been created by the President himself. For instance, the question was raised by the Senator from New York [Mr. Wadsworth] as to why we should have five or six different instrumentalities engaged in purchasing material. As I understand, the President has solved that problem without legislation, and has one purchasing agent at the present time. Is not that so?

Mr. OVERMAN. No; I think not. Mr. GALLINGER. I think so.

Mr. OVERMAN. Oh, no.
Mr. GALLINGER. I think Mr. Baruch is in charge now.

Mr. OVERMAN. Oh, he is in charge of certain divisions, but he can not change the law. The law prescribes the duties of these purchasing agents for the War Department, the Ordnance Department, the Quartermaster Department, and so on. They are all separate institutions, governed by statute. You can not change them. They have to purchase the supplies needed by their respective departments.

Mr. GALLINGER. I think substantially that is being accom-

plished by Executive order.

Mr. OVERMAN. Oh, no; Mr. President.
Mr. GALLINGER. I think so.
Mr. OVERMAN. I am sorry to differ from the Senator. The
trouble is that all these purchasing agents are governed by law. Unless authority is given somewhere to consolidate them, you can not do it. I will show the Senator in the morning that I am correct about that. I will finish in about a half hour in the morning.

Mr. GALLINGER. I shall be very glad to have the Senator do that. If that be so, if the duties of these officers are established by law, is it the Senator's idea that we are giving authority to the President in this bill to repeal those laws?

Mr. OVERMAN. No; this does not repeal any law. Mr. GALLINGER. Then, if the law governs the matter,

giving the President power does not amount to anything.

Mr. OVERMAN. No; he is given authority to coordinate them into one office, and then, after the war is over, they go back to where they were originally.

Mr. GALLINGER. Yes; but still the law remains right there.

Mr. OVERMAN. That is the reason why it is necessary to have this bill passed—to give him a right to transfer or redistribute functions—and that is one of the things he can do.

Mr. GALLINGER. That does not appeal to me.
At this point Mr. Overman yielded the floor for the day.

Wednesday, April 3, 1918.

Mr. OVERMAN. Mr. President, I had about concluded my remarks on yesterday afternoon, having spoken longer than I think one ought to speak. I do not believe that one ought to speak for more than two hours, for I think any man who has anything to say upon any question can exhaust it in two hours, But I was diverted, and therefore my speech had to go on and on.

I would have concluded yesterday evening but for the fact that the Senator from Georgia [Mr. SMITH], after I had argued that the best business men in the United States had said before

the committee that there was confusion everywhere in the departments, and that there ought to be centralized power and coordination, challenged that statement and said he had read the testimony, and he asked me if I could furnish him any testimony along that line except as to the appointment of a munitions director.

Mr. President, having been challenged I want to quote from these proceedings. I do not know whether they are executive or not, but it is the hearing before the Committee on Military Affairs, and it is on my desk. I will read the testimony of Mr. Catchings. Mr. Catchings is a very prominent man, one of the most prominent before the committee, and I think he was on the Council of National Defense. At any rate, he is a member of the Chamber of Commerce of the United States, and they, one and all, in every section of this country, have indersed the pending bill. He has indorsed it heartily himself, because it is the proper thing to do.

We are trying to emphasize this-

Mr. SMITH of Georgia. Will the Senator give me the page? Mr. OVERMAN. Page 1906. Mr. Catchings said:

Mr. Overmann. Page 1906. Mr. Catchings said:

We are trying to emphasize this. It does not seem to us to be appropriate for us to determine whether we should have a Chief of Staff do this, as the Germans are supposed to do, or whether we should have a war cabinet or war council or a war committee, as they call it in France. The thing that we are trying to impress upon you is that the experience of business men has been universal that without central control and responsibility no enterprise, large or small, could succeed. We believe that that has been the fundamental principle of our Government and in all other enterprises. We believe it has been our tendency to give our Executives great responsibility and hold them for it; but in this, the greatest of all enterprises, we have no one sitting on the war problem as a whole and controlling these conflicting activities, and as I read to you in the statement there are in Washington at the present time the Fuel Administration, the Food Administration, the War Trade Board, the Shipping Board, the Railroad Administration, the Navy Department, the War Department, and the War Industries Board, all affecting the war situation and all independent, one of another, with no means of settling differences between them. It is not a matter, it seems to me, that we should debate. It is clear that there is no way of settling a difference of opinion in routine between Mr. Garfield and Mr. Hoover, for example.

Senator HITCHOOK. So you really propose or advocate, not only the creation of a minister of munitions but of some intermediate board above the Cabinet and below the President.

Mr. CATCHINGS. A board which will, of course, be solely responsible to the President and merely puss upon these matters in his name.

The CHAIRMAN. Well, one man could do that.

Mr. CATCHINGS. One man could do that, certainly. We do not lay emphasis on the particular form; but it seems to us that it is utterly hopeless to expect to fight a war without having somebody actually in charge of it, on the job

Mr. McKELLAR. Mr. President-

The PRESIDING OFFICER (Mr. Curtis in the chair). Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. OVERMAN. Certainly.
Mr. McKELLAR. May I call the attention of the Senator to the fact that Mr. Catchings is not a member of the Council of National Defense? He is an officer of the Chamber of Commerce of the United States and one of the ablest and one of the clearest-headed men I think who appeared before our committee.

Mr. OVERMAN. I thank the Senator for the information. judged that he was a member of the Council of National Defense because he was one of the witnesses before the committee. Mr. Gifford, on page 1864, said:

Mr. Gifford, on page 1864, said:

My view would be that it the President had the power to appoint a director on the War Industries Board, I would prefer one man. I would prefer a one-man board, where direct executive work could be done. Then, if it were made possible by Executive order, we will say, for the President to transfer from the War Department, the Navy Department, or the Shipping Board, any purchasing committee which it might develop should properly be centralized from those departments into this section, as the scheme works along, we would transfer such things as had to be centralized, such as steel, for instance. No one questions, for instance, that steel will have to be centralized. It will have to be centralized somewhere. We can not have it handled by the Army, the Shipping Board, the Navy, and our allies. If they could be transferred out of the various departments and put under direct war industries, you would have a workable organization that would not be so comprehensive and so detailed as to break down in its functioning, and yet you would attain the object of taking care of these vital needs, which I call the war industries.

The Chairman. Suppose you had a central head. It does not make any difference what you call him. If we could empower him, under the rules and regulations to be adopted by the President, the President being the supreme head, to utilize all the branches of the Government, wouldn't that be better than to rely upon these different agencies to do it under a volunteer system? Would it not be better to have one direct head with power to call to his assistance the Council of National Defense, the War Industries Board, the administrative division, the clearance committee, or any other agencies?

Mr. GIFFORD. I think so. I do not think that the war industries under that scheme would need it.

This shows that he is in favor of coordination all along the line by different boards and chiefs. I understand he was asked a question in the Military Committee; the Senator from Tennessee can answer whether it is true or not; I have not seen the evidence; but I understand that when before the committee they asked him what was the remedy for it and he replied "the Overman bill.

Mr. McKELLAR. I will state that this gentleman, Mr. Gifford, who is secretary of the Council of National Defense, is very heartily in favor of a centralized organization with which to deal with these problems. He and Mr. Catchings and other gentlemen were in favor of it.

Mr. OVERMAN. They did not confine it only to munitions, the Senator means?

Mr. McKELLAR. They did not confine it. The testimony was very much to the effect that we needed centralized authority to control the war.

Mr. OVERMAN. The Senator from Georgia challenged me

on that statement.

Mr. SMITH of Georgia. I agree he took the position that there should be centralized authority.

Mr. OVERMAN. The Senator said it was only as to muni-

Mr. SMITH of Georgia. I said what he especially pressed was a director of munitions, and that that was really what they

were supporting in their testimony.

Mr. OVERMAN. That statement does not appear, according

to my reading of the evidence. Mr. SMITH of Georgia. It is my understanding now of the

Mr. OVERMAN. Now, if the Senator pleases, I will read from some witnesses before the committee who were members of the committee, and let us see what they said about it. I will read only a few lines, for I do not want to take the time of the Senate unnecessarily:

Senate unnecessarily:

Instances of that sort bear out the statement I have already made, that there is a lack of comprehension of manufacturing difficulties here in Washington in the departments of the Government, largely manned, as they were and are, by military men.

Then we had before us some of the exceedingly able civilians who were summoned to Washington just before or soon after our entrance into the war and who have devoted their time and efforts in helping the Government. Senators are acquainted with a large number of them. These men have lived close to the problem for many menths; they have watched the working of the machinery at close range; they are thoroughly informed upon the situation; and they have told us about it not only in open session, but in executive session. Each and every one of them has pointed out and explained the defects which the members of the committee had begun to suspect before they appeared before us. Each of them has suggested one or more remedies, one or more improvements, and all their suggestions are in the same direction, to wit, the proper centralization of authority—an authority established preferably by statute, an authority whose decisions may be promptly reached and accepted as final.

We have had before us in open session Mr. Danlel Willard, the president of the Baltimore & Ohio Railroad, and at the time of his appearance the chairman of the War Industries Board. In discussing the organization of the Government for war-making purposes as existing at the time of his appearance, he expressed the hope that they would get along all right, but he pointed out what he termed a fundamental weakness—lack of authority to compel coordination.

Mr. Baruch appeared before the Committee on Military Affairs in open session; and he, too, in the most explicit terms—and he is a member of the advisory commission of the Council of National Defense—stated that we must have centralization of authority in order to compel coordination amongst the different parts of our war-making machinery.

I read what was said by the Senator from New York [Mr. Wadsworth] in a celebrated speech here. He is a member of that committee, and he said:

Mr. Gifford, the director of the Council of National Defense, who probably is more familiar with this problem than any other man in Washington and across whose desk comes all these things, for he is the director and manager of the office of the advisory commission as well as of the Council of National Defense, most explicitly stated that what we needed to bring order out of chaos was a centralized authority, some authority armed by the statute.

That was his opinion, showing that there ought to be some centralized authority somewhere and coordination. In another place the Senator from New York [Mr. WADSWORTH] said:

place the Senator from New York [Mr. Wadsworth] said:

We had before that committee the chairman of the war committee of the Chamber of Commerce of the United States, Mr. Catchings. Mr. Catchings has been the first assistant to Mr. Stettinius during the time that Mr. Stettinius was managing the purchases for Great Britain. He assisted Mr. Stettinius in that work, and they purchased something like \$3.000,000,000 worth of goods in this country for Great Britain. They did it under a centralized authority. They made a tremendous success of it. It is astounding to hear him say how simple it all was, when properly organized. Mr. Catchings stated most explicitly before our committee that he and his war committee of the United States Chamber of Commerce have been working for six or seven months here in Washington—and they represent all the chambers of commerce of the United States, a large number of boards of trade, and business men's organizations, aggregating 7,000 of the most prominent and successful business men of the country. For six or seven months, Senators, Mr. Catchings and his committee have been endeavoring to persuade the officials here in Washington that something must be done

to centralize control and authority, and they have had conference after conference, always insisting upon that one thing in order to make America effective

The Senator from Nebraska [Mr. HITCHCOCK] is a member of that committee, and he said:

that committee, and he said:

To be of any value as a coordinating body the Council of National Defense should be composed of men having no other duties and vested with full power. Being composed of men already overworked, the council has proved to be merely a name, without activity, without energy, and without life. Realizing this fact, an effort was put forth to make it a reality by adding to it an "advisory commission" of men from the business world. This brought to Washington many able men who served on various committees of the advisory commission of the Council of National Defense. But it added to the complication and confusion. These men found they had in law no power. They found no organization or coordination. One by one they have gradually become discouraged and many have already resigned and retired to private life. Many of those still persisting talk freely of the disorder and lack of system in the war activities of the Government, and all of them believe that we ought to have something the equivalent of a war cabinet.

Look at the situation as it presents itself to-day, nine months after we entered the war, and even before we have fought a battle.

Then he goes on:

Then he goes on:

Our industrial establishment is likely to break down. We have had no one to coordinate; mo one who was in touch with the Aircraft Board, the Shipping Board, the War Supply Department, or any of the other departments requiring production; no one to coordinate them and see that all of the mass of production was not centered within a few miles. Take the matter of the Fuel Administration. Congress authorized the control of the fuel of the country, and an attempt has been made to control prices, supply, and distribution, but it has apparently been made without any successful effort to coordinate the work with other functions of the Government. To-day we have a fuel famine in the country, not because we lack productive mines but because they have not been permitted to operate. Lack of knowledge, lack of transportation, and lack of harmony between the Fuel Administration and other functions of the Government are the causes of the breakdown.

I am impersonal in what I say. I am not attributing any part of the failure to the Fuel Administrator, though some would attribute it to him; but I am saying that it is the system which is chiefly at faunt—the failure to have any coordination between his bureau and the others.

If there had been some autherity which could have brought the Fuel Administration into close contact with the mining and labor interests of the country and with the war industries of the country, as well as into conference with the Pricrity of Shipments Board and other branches of the Government, much of the present breakdown could have been prevented. But the Fuel Administration, like the Food Administration, the War Industries Board, the Shipping Board, the Aircraft Production Board, and all of the other boards, was running an independent course. Its activities were not focused with the other activities at any point. Its decisions were reached and its orders were made practically as though the others did not exist. It started trouble has summer by fixing prices for coal at such figures a

Mr. OVERMAN. I will put another extract in and stop at that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Mr. Hitchcock. I am proposing that these 8 or 10 separate and independent departments of the Government, each of which is now running on a single track without any coordination, shall be brought up into one station, where they will be united, where they will be focused, where they will come in contact with each other, and where somebody having authority will say to the Fuel Administrator and to the Food Administrator and to the Food Administrator and to the Food Administrator and to the Shipping Board and all the other boards and bureaus, "Let us see your plans; we want to compare them and coordinate them and work together."

Mr. Hitchcock. The Senator, I hope, will now desist from his questioning and let me cover my ground. I am not criticizing the Secretary of War or the Secretary of the Navy or any other Secretary. I have endeavored to avoid personal criticism. I am excusing them. I am saying that the system is such that even if the Secretary of War runs the War Department in a good way and the Secretary of the Navy runs his department as well as he knows how and the Food Administrator runs his as well as he knows how and the Fuel Administrator as well as he knows how, if they have separate plans they are in the predicament of the five brothers who built a house. There is an old story of an uncle with much money, who called in his five nephews and said: "Boys, here is a great amount of money. I want you to build a house. Buy all the materials that you please. Each of you build a part of the house." They arranged among themselves that one should build one side, one should build the other, one should build one end, and another the other end, and the fifth one was to build the top. They were good workers; they were able men; they knew how to build. One built his end high and short, while the other built his end low and 'ong. One built a long side that was low and the other built a short side that was high. The fifth boy built the roof. After they got the portions together they would not work. There had been no architect; there had been nobody to plan; each one had done his own part, but there was nobody to give the master plan, and it was not a house at all.

Mr. OVERMAN. They all admit that there is confusion in the departments. I showed it yesterday, and I am not going to repeat what I said then. I first discussed the question as to the bill itself, as to its provisions and as to its limitations. I then discussed the necessity for this act. I also attempted to show certain precedents that have been passed by Congress from time to time, and I alluded, the Presiding Officer will remember [Mr. Curris in the chair], to the amendment to an appropriation bill that we secured and which gave the President absolute power to abolish customhouse officers. There is nothing of that kind in this bill.

Here is another act that was passed February 14, 1903 (32 Stat., 830). Here is a law which passed Congress:

Stat., 830). Here is a law which passed Congress:

Sec. 12. That the President be, and he is hereby, authorized, by order in writing, to transfer at any time the whole or any part of any office, bureau, division, or other branch of the public service engaged in statistical or scientific work, from the Department of State, the Department of the Treasury, the Department of War, the Department of Justice, the Post Office Department, the Department of Commerce and Labor; and in every such case the duties and authority performed by and conferred by law upon such office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall be thereby transferred with such office, bureau, division, or other branch of the public service, or the part thereof which is so transferred. And all power and authority conferred by law, both supervisory and appellate, upon the department from which such transfer is made, or the Secretary thereof, in relation to the said office, bureau division, or other branch of the public service, or the part thereof so transferred. Shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be, as to the whole or part of such office, bureau, division, or other branch of the public service so transferred.

Giving more power than this bill, except that it is said that

Giving more power than this bill, except that it is said that was a special purpose. I say, again, this bill we have is for a special purpose.

One is for the Department of Commerce and Labor; another is for running the railroads, but this is to fight the war. That is a special purpose.

Mr. President, I am going to show you that from time to time we have been passing, as I said yesterday, little popgun bills that ought to have been settled without coming to Congress to pass the acts. Eight or ten times Congress has been called on to pass through the Senate and House bills which if the President had the authority that this bill proposes to give him he could have done without the delay always caused. Nobody objected to the bills, because all saw the importance of them.

I wish to put in the RECORD another precedent, an act passed March 3, 1917, and the act of July 1, 1902, showing what Congress has done heretofore on this line as to special subjects. Yes, but Congress passed them and gave the President not only the power to transfer or redistribute functions, to transfer offices, but absolutely giving him power to create offices by Executive order.

Again, September 7, 1916, in the shipping law, the President, upon the request of the United States Shipping Board, was authorized to detail officers of the military or naval or other services of the United States for such duties as the board may deem necessary in connection with its business.

We had to pass an act of Congress to do that. dent had had authority he could have transferred them without coming to Congress and without the inevitable delay that always

happens here in Congress.

In 1916 we had to pass another act providing that the Treasury Department, the Department of Commerce, the Federal Trade Commission, and so forth, shall detail from time to time such officials and employees to the United States Tariff Commission as the President may direct.

Why should not the President have had that authority, instead of having to come to Congress to have a bill pass both Houses?

Then March 1, 1917:

The heads of the several departments of the Government may, in their discretion, and shall upon the request of the Secretary of War, detail representatives from their respective departments to assist the Eugineers of the Army in the study and examination of watersheds significant from the standpoint of flood control, to the end that duplication of work may be avoided and the various services of the Government economically coordinated therein.

He ought not to have had to do that in executing the law of his country as Commander in Chief. He ought no: to have had to come to Congress, but the statute itself limited him, and he

could not do it without an act of Congress.

My point in citing these acts is to show that our time is taken up here with these bills that nobody objects to, that everybody is in favor of; but it takes time to pass them, and the President has to come here every time he wants to do anything limited by law to ask Congress to give him authority. But it is proposed to give him power and authority to carry out these things for the purpose of carrying on the war successfully and more effi-ciently to fight the war, and he should have this authority. Mr. WADSWORTH. Mr. President— The PRESIDING OFFICER. Does the Senator from North

Carolina yield to the Senator from New York?

Mr. OVERMAN. I do.

Mr. WADSWORTH. Would the Senator contend that the duty of officers of the Army and Navy should not be prescribed by written statute?

Mr. OVERMAN. They are prescribed by written statute. Mr. WADSWORTH. Does the Senator contend that they

should not be?

Mr. OVERMAN. No; I think the Commander in Chief ought

to have the right and authority not to abolish but to transfer when necessary from one department to the other as Commander in Chief.

Mr. WADSWORTH. Does the Senator contend that it would be wise public policy to permit the transfer of Army officers, we will say in any number, without restraint, to duty in connection with flood control?

Mr. OVERMAN. Yes; I think if the President thought it necessary for that purpose he should have a right to do it. He does do it now

Mr. WADSWORTH. In that case, then, the Senator can not contend that the law should define the function of Army officers.

Mr. OVERMAN. I have not said that. I have said the law places this limitation upon the President, and he has to come to the Senate time and time again. There are a dozen bills here now providing that these things may be done, that everybody is in favor of, that no one objects to, whereas the President ought to have authority without coming to Congress in these minor matters

Mr. WADSWORTH. Does the Senator advocate the repeal

of the laws which define the duties of Army officers?

Mr. OVERMAN. I do not. I have not done so, and I do not so contend now

Mr. WADSWORTH. May I say the Senator is now contending that the great trouble with the situation is that laws now exist upon the statute books which define the duties of an Army officer.

Mr. OVERMAN. I am complaining that in many respects laws on the statute books are hindering and hampering the President in this time of stress, and he ought to be given authority not to repeal any law, but to transfer and to redistribute, as the Senator said, for the purpose of having better adminis-

Mr. WADSWORTH. I do not mean to press the Senator unduly, and I do not wish to interrupt his remarks, but I will be interested if some time during the discussion he will specify what particular handicap the administration is now suffering

Mr. OVERMAN. I will read extracts from the Senator's speech. I will put it in the RECORD. I will cite his own speech which he sent out over the country charging that there is confusion here everywhere. I invite you to hear what he told the people of the United States.

Mr. WADSWORTH. Will the Senator say with entire frankness that the utterances I made upon the floor of the Senate

on that occasion were political in character?

Mr. OVERMAN. No. I do not so contend. Mr. WADSWORTH. I beg the Senator to read it.

Mr. OVERMAN. The Senator's speech, which I have read from freely, is a pretty good speech for me to make to show confusion and trouble everywhere. I have taken the liberty of quoting from the Senator's speech, and he did make a splendid speech, and it bears me out that there is confusion everywhere in the management of affairs. I say this ought to be settled without any partisanship. I have heard some rumors that there was going to be a filibuster on this bill by some partisans. I do not think so. I never have believed it. I believe we ought to come down and settle this question without any prejudice, without any partisanship, and settle it like patriotic men upon its

Mr. President, I believe I will read here about a great battle that took place once in the olden time. I will read a few verses from the seventeenth chapter of Exodus. Perhaps I should have taken it for my text when I began:

And Moses said unto Joshua, choose us out men, and go out, fight with Amalek. To-morrow I will stand on the top of the hill with the rod of God in mine hand.

So Joshua did as Moses had said to him, and fought with Amalek. Moses, Aaron, and Hur went up to the top of the hill.

And it came to pass, when Moses held up his hand, that Israel prevailed; and when he let down his hand Amalek prevailed.

But Moses' hands were heavy; and they took a stone and put it under him, and he cat thereon; and Aaron and Hur stayed up his hands, the one on the one side, and the other on the other side; and his hands were steady until the going down of the sun.

And Joshua discomfited Amalek and his people with the edge of the sword.

Mr. REED. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. OVERMAN. Certainly.

Mr. REED. I simply wanted to inquire how the Senator had discovered that quotation.

Mr. OVERMAN. Does the Senator infimate that I do not read the Bible? I will say to him I read my Bible every day.

Mr. REED. Oh, no; not at all. I was asking for information.

Mr. OVERMAN. I think, Mr. President-Mr. CUMMINS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Iowa?

Mr. OVERMAN. I yield. Mr. CUMMINS. The Senator from North Carolina is evidently attempting to establish a parallel. May I ask between whom the parallel is to be drawn?

Mr. OVERMAN. If the Republicans, on that side, will hold up the President's left hand, and the Democrats, on this side,

will hold up his right hand, we shall win the war,

Mr. CUMMINS. I am very glad to have that explanation. I had supposed the Senator was attempting to establish a similarity between Moses and the President of the United States.

Mr. OVERMAN. No, Mr. President; the Senator knew better than that, because I said that I wanted that side to hold up one hand and this side to hold up the other hand and help win the war-both sides without any partisanship-and I am sure the Senator from Iowa agrees with that.

Mr. CUMMINS. Yes; but I was thinking it would be an unfortunate comparison, because, as I remember it, Moses was not

permitted to enter the promised land.

Mr. OVERMAN. No; but I do not know why that should apply to this case; for do you think the President is not going to win the war? Are you going to hinder him from winning it? Are you going to stand here and deny him what he asks in order to keep him from getting into the promised land? Is

that the Senator's position?

Mr. CUMMINS. No; that is not my position; but I was regretting that the Senator from North Carolina had instilled any such thought into the minds of Senators or into the minds of the people; because I hope that the President will enter the promised land, although I fail to see any striking resemblance

between the two famous characters.

Mr. OVERMAN. The Senator would compare the President to Moses in entering the promised land. I did not refer to the holding up of his hands as an illustration or a parallel as to Moses and the President; and the Senator knew it. I do not like to hear such talk as that when we have kept out of partisanship so far. I do not like to hear the Senator say that we are not going to reach the promised land.

Mr. CUMMINS. I have not said any such thing as that.
Mr. OVERMAN. That is what the Senator suggested, as I

understood.

Mr. CUMMINS. I was wondering if that was in the Senator's

Mr. OVERMAN. Did not the Senator hear me say that I wanted one side to hold up one hand and the other side to hold up the other hand?

Mr. CUMMINS. Which hand?

You hold up the right hand and we will hold up the left hand, or you hold up the left hand and we will hold up the right hand.

Mr. CUMMINS. Mr. President, I think the Senate is quite anxious to hold up both hands of the President in every func-

tich and power which he ought to have.

Mr. OVERMAN. I hope so. But the Senator from North Carolina is un-Mr. CUMMINS. der that general misapprehension which prevails altogether too universally, and that is that all the war powers of the United States must be exercised by the President; and that if he is not invested with all the powers of government then this war That is a misapprehension, both historically and

Mr. OVERMAN. The bill provides that the President shall have these powers whenever they are necessary for the efficiency of the Army and to those matters relating entirely to

Mr. KNOX. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina vic .. to the Senator from Pennsylvaria?

Mr. OVERMAN. I yield to the Senator from Pennsylvania. Mr. KNOX. Would the Senator from North Carolina be willing to cite an instance of where the utilization or the coordination of the activities of executive officers in such a way as would be helpful in winning the war could not now be accomplished by the President under his powers as Chief Execu-

Mr. OVERMAN. Mr. President, I know it has been contended, as the Senator from Pennsylvania now suggests, by

great lawyers that the President has such power now; that the joint resolution which was heretofore passed put into the President's hands the power of the Army and the Navy and everything that is necessary to be done in the way of a transfer and redistribution of functions. I do not know but that the President has it. If that be so, why not now specifically give him the power if he wants it?

Mr. KNOX. But would the Senator from North Carolina, in order to aid those of us who do not wish to vote for the conference of any power that is not necessary, be willing to cite an instance where the President could not now, as Chief Executive or as Commander in Chief of the Army and Navy, co-

ordinate the activities of executive officers?

Mr. OVERMAN. What the Senator from Pennsylvania might think was unnecessary, another Senator might think was necessary; one Senator might think one thing and another Senator might think another, and another Senator might think still another. The only safe way to do is to give the President the general power and to trust in him to exercise it according to law, when he is sworn to support and to do what he does entirely in the interest of successfully carrying on the war.

Mr. KNOX. Mr. President, I should like to ask the Senator from North Carolina another question; Is it not true that the President, in anticipation of statutory authority, had by his executive authority practically created and put into a formative conditon certain branches or bureaus of government, for instance, like the Food Department? I instance that department in order to give emphasis to my question.

Does the Senator know of any case where any attempt upon the President's part to exercise his executive authority by coordinating the activities of the executive branch of the Government has been challenged in Congress? Has there been any such disposition manifested?

Mr. KIRBY. I should like to answer that question.
Mr. KNOX. Just a moment, if you please. I think I have the floor

The PRESIDING OFFICER. The Senate will be in order. The Senator from North Carolina yielded to the Senator from Pennsylvania.

Mr. KIRBY. If the Senator will yield to me, I should like

to answer that question.

Mr. KNOX, Have I the floor or not, Mr. President? Mr. KNOX.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. KNOX. I should like the privilege of asking my question. The point I want to make is this: Has the Senator from North Carolina discovered any disposition upon the part of Congress to be critical of the President in coordinating the executive and administrative offices of the Government in order to carry on the duties imposed upon him under the war power?

Mr. OVERMAN. Yes; I think there has been some criticism,

Mr. KNOX. In Congress? Mr. OVERMAN. Yes.

Mr. KNOX. I have not noticed it.

Mr. OVERMAN. Mr. President, that is the same question we have heard discussed in the committee. The President has told us why he desires this legislation. I take it for granted that the President has heard from the departments and has very vividly known the troubles with the Government, which, as Mr. Taft has said, is the most unscientific government on earth, with many duplications and jealousies, and with its multitude of bureaus, agencies, and commissions. The President has found that out, and he has found it out to his sorrow. He has discovered that there ought to be coordination, and he desires authority to accomplish it.

The question is asked, Can not the President do that anyway? If that be so, why not specifically give him the authority when he comes and asks it? He is now criticized for having too much red tape in his administration, and when he comes and asks you to cut it, you Senators would deny him the power to do so.

Senators have asserted that the President does not confer with them; that they do not consult with him. I suppose the Senator from Pennsylvania has probably done the same thing; perhaps has criticized the President. But now the President comes here and takes Congress into his confidence. He does not exercise the power as some others have done in the past in time of war-patriotic Presidents-who did not have power but who have none the less exercised it. One President (Mr. Lincoln) was charged upon the floor of the Senate with being a dictator and a usurper, but the men who charged that have gone down into oblivion and their names to-day, if mentioned, it is with contempt. I could name them if necessary. Now, when the President comes here and says to you, "I need this authority; I ask you for it; limit it, if you please, to the war power," some Senators will not give him that which he

I will ask the Senator from Pennsylvania if he thinks the President has such power without having the authority conferred upon him which this bill proposes?

Mr. KNOX. To do what?

Mr. OVERMAN. To do what the bill proposes.

Mr. KNOX. I think the President of the United States has the authority to require every executive officer and every department of the Government to do anything that he directs to be done in order to prosecute this war to a successful conclusion. I think he has the power to delegate from one Cabinet officer to another the discharge of any particular duty that he thinks such a Cabinet officer can discharge better than the one upon whom it would normally be incumbent, think that the President has all those powers. I do certainly

Mr. OVERMAN. Then, Mr. President, I do not see why we have been wasting our time here for three or four months passing bill after bill to enable the President to do the very thing which the Senator from Pennsylvania says he now has the power to do; but it seems that his Attorney General and the great lawyers with whom he is bound to confer tell him that

he has not that power.

Mr. KNOX. I have the very highest respect for those advising the President of the United States; but if that responsibility were cast upon me, as I have read the Overman bill, in so far as it proposes to authorize the President to utilize and coordinate executive activities, so far as I can see what it means from its language, and so far as I am informed in this particular by those who are back of the bill, I would not hesitate a second to advise the President of the United States that he now fully

possesses that power.

Mr. OVERMAN. Mr. President, I am glad to hear the Senator say that. He is a great lawyer, a great statesman, and he has occupied some of the highest offices under this Government with great ability and efficiency. That is his opinion, and respect it. Others, however, do not think the President has that power; he is doubtful of it himself; but, if he already has the power, who will deny it to him, and why not pass the bill and make sure of it? If he says, "I do not want to be charged with being a dictator, I do not want to give the opportunity to some man to say that I had no authority to do this or do why not resolve the doubt in aid of the President, and give him the authority the Senator says he already has? I am glad the Senator from Pennsylvania has said that the President has authority to do everything that my bill proposes, for then, Mr. President, this bill is not the horrid measure that some Senators would make it out to be. If the Senator from Pennsylvania thinks that the President already has the power, what is the matter with the bill? Give the President the authority, hold up his hands, and stop this hamstringing of the great Executive of this country.

Mr. President-Mr. LODGE.

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. OVERMAN. I yield with pleasure.

Mr. LODGE. I merely wish to ask the Senator from Pennsylvania [Mr. Knox] if I understood him rightly? He does not think that this bill is confined to the powers which he describes,

does he? Am I right in that?

Mr. KNOX. My position, Mr. President, is this-and I think when I stated it the Senator from Massachusetts may not have apprehended what I had in my mind-that so far as this bill empowers or seeks to empower the President of the United States to transfer the performance of a particular duty of one executive officer to another for the purpose of carrying on this war to a victorious end, I say that he has the power to do it. Then, I further added that, as I understand the bill from reading it and from the interpretation placed upon it by those who are responsible for it with whom I have talked, I think he has all the other powers necessary to utilize and coordinate executive work. But that does not, of course, include, Mr. President, for instance, the right to transfer the Interstate Commerce Commission, which I do not think is an executive body, to the Treasury Department, as has been suggested he might do, or the right to transfer the Federal Trade Commission or the Federal Reserve Board to some executive department of the Government. I take it that those are not executive bodies; I take it that they are in a sense legislative bodies, and are carrying out policies inaugurated by Congress. To the extent that this bill should undertake to do that-which has been denied to me by those who are proposing the bill-I will say, as a matter of course, no such power now exists in the presidential office.

Mr. LODGE. If I may ask one more question of the Senator, would it not be possible under this bill as drawn, for example, in the case of the Interstate Commerce Commission, to which the Senator has alluded, for the President to take from that com-

mission the valuation of the railroads, which is going on under an act of Congress, and transfer it to some bureau or division of the Treasury? Could he not do that under this bill?

Mr. KNOX. If you were to construe that commission as

an administrative commission, he certainly could.

Mr. LODGE. But is the power limited to administrative commissions?

Mr. KNOX. There are two provisions in the bill that describe the nature of the commissions or boards in relation to which transfers may be made. The first—
Mr. OVERMAN. Now, I want to ask the Senator from Penn-

sylvania a question suggested by that of the Senator from

Massachusetts

The PRESIDING OFFICER. The Senator from Pennsylvania is answering the Senator from Massachusetts.
Mr. OVERMAN. Very well.

Mr. KNOX. The first is on page 1:

To make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office, or officer.

The second is in the second section:

That in carrying out the purposes of this act the President is authorized to utilize, coordinate, or consolidate any executive—

And then there is inserted, I do not know whether by the committee or not, but it is printed in italics in the bill-

or administrative commissions-

The first section deals solely with executive departments or bureaus or commissions, while the second deals with executive or administrative. Now, if it can be held—and it is a matter open to some doubt, and there are strong reasons to be presented upon both sides of the contention—that the Interstate Com-merce Commission is an administrative commission and that in valuing the railroads it is performing an administratve act, then, of course, if this bill became law the President could transfer that power to any other officer or office of the Government that he saw fit. On the other hand, if it is not an administrative commission, but if it is a legislative commission and an administrative commission as well, and in some respects a judicial commission—because its functions are partly of a judicial nature as well as of an administrative and legislative nature—then, a doubt would arise. Personally, I should object to voting for this bill with that provision in it. In this respect the bill should be amended in order to clear up any possible doubt that there might be on that subject in the minds of those

who desire to avoid the possibility of such a transfer.

Mr. OVERMAN. Mr. President, I should like to ask the Senator a question there. I am not sure but that the Senator was a Member of the Senate and discussed the great interstate-commerce act when it was pending in Congress. I want to ask the Senator, in his judgment, is not the Interstate Commerce Commission an agency of Congress? Congress established it for what purpose? For the purpose of establishing rates according to rules laid down by Congress. Congress can not delegate its powers to a commission, and not being able to delegate its powers, it has appointed this agency for the purpose of fixing rates according to well-defined reasonable rules fixed by Congress itself. Therefore, is it not a congressional agency rather

than an executive or an administrative agency?

Mr. KNOX. That is a new term—
Mr. LEWIS. Mr. President—
The PRESIDING OFFICER. The Senator from Pennsylvania has not concluded.

Mr. OVERMAN. The Senator from Pennsylvania is answer-

ing my question.

Mr. KNOX. Replying to the question of the Senator from North Carolina, it is undoubtedly true with respect to the Interstate Commerce Commission that Congress prescribed a series of rules relating to various branches of the railroad business; for instance, rules as to reasonableness of regulations, as to reasonableness of rates, and all that sort of thing, and delegated to the commission the ascertainment of facts and the application of the rules laid down by Congress to the facts ascertained. I would not call it a "congressional commission," because I think that is a new term in legislation. It is an administrative commission in one sense; it is a legislative commission in another sense, and, as I said a moment ago, it is a judicial commission in another sense; and whether or not it would come under the term "administrative" within the language of this bill is an open question.

Mr. OVERMAN. Mr. President, the Senator remembers, as we all do, the great arguments that centered around that question in connection with the legislation affecting the Interstate Commerce Commission. Congress could not delegate this power

except by establishing reasonably well-defined rules and appointing a commission to carry out the will of Congress. Therefore, it does not seem to the distinguished Senator that the President

could interfere with such a legislative commission.

Mr. KNOX. I had the honor to be a member of this body at that time and participated in that debate, and the Senator, I am quite sure, will agree with me that we all know a great deal more about the question now than we did then. There have been a great many court decisions since 1906 of a rather radical The Senator will recall that some of the most distinguished Senators in this body challenged the right of Congress to delegate to the Interstate Commerce Commission the power to fix rates, holding that that was a legislative act and could not be delegated. Of course, we have gotten a long way from that, and I do not think that we can safely arrive at a sound

conclusion upon this matter by using the lights of 1906.

Mr. OVERMAN. I agree with the Senator. Some of the greatest speeches I ever heard were upon the question of whether we could delegate the power of Congress in that respect. I remember the great speech of the then Senator from Ohio, Mr. Foraker, who did not believe that Congress could take such action; but it seemed to be the unanimous sentiment of Congress, except among the very few who took the same position as the then Senator from Ohio, that the Interstate Commerce Commission was nothing but a legislative agency, created for the purpose of ascertaining the reasonableness of rates and to fix them according to rules laid down by Congress. The point I make is, Why should we talk so much about the Inter-state Commerce Commission? The Senator and I agree, but why should all this argument rally around the Interstate Commerce Commission? What is the trouble about that? I do not think the President could do what has been suggested with regard to that commission. I think that is an agency of Congress, and it has become, as the Senator from Pennsylvania has said, a judicial body; and, of course, the President could not interfere with the judicial department of the Government or with the legislative. When, however, it comes to administrative or executive departments, he ought to have a right to transfer their functions. I asked the Senator from Iowa [Mr. CUMMINS] the other day, provided it was necessary to transfer even the Interstate Commerce Commission and redistribute its functions for the purpose of prosecuting the war and such action was absolutely necessary to save the country, would he do it? Would he give this authority to the President? What was his reply? He said, "Yes; I would do it;" and so I say would every Senator do it.

Mr. CUMMINS. I would not allow the President to judge of the necessity; I would judge of that myself.

Mr. OVERMAN. Well, we have 96 different opinions here about these matters. I know the President would not do it, and I am willing to trust him not to do it. I know he would not do it in the case of the Federal Reserve Board.

Mr. SMITH of Georgia. Then, why not exempt them from

the bill?

Mr. OVERMAN. Because I do not propose, as I said to the Senator—and the committee agreed with me—to assume, by adopting his amendment, that the President would do anything like that. I am willing to give him the general power, and I assume, as the Senator from Georgia does, that he will not do any unconstitutional act or any arbitrary act, unless it was necessary to fight this war to a successful conclusion. I have too much confidence in the Commander in Chief, in my great leader, to think about that. I am not willing to put such a provision in the bill to insult him and the American people.

Mr. LEWIS and Mr. REED addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from North Carolina yield?

Mr. OVERMAN. I yield to the Senator from Illinois. I am done, Mr. President.

I ask permission, Mr. President, to print certain extracts and other matter as an appendix to my remarks

The PRESIDING OFFICER. Without objection, permission is granted.

APPENDIX.

UNITED STATES LAWS AUTHORIZING REDISTRIBUTION OF FUNCTIONS AMONG EXECUTIVE AGENCIES AND TRANSFER OF POWERS OR DUTIES FROM ONE DEPARTMENT OR BUREAU TO ANOTHER BY THE PRESIDENT OR THE HEAD OF A DEPARTMENT.

Act of February 14, 1903 (32 Stat., 830, sec. 12): President authorized to "transfer at any time the whole or any part of any office, bureau, division, or other branch of the public service engaged in statistical or scientific work, from the Department of State, the Department of the Treasury, the Department of War, the Department of Justice, the Post Office Department, the Department of the Navy, or the Department of the Interior, to the Department of Commerce and

Labor; and in every such case the duties and authority performed by and conferred by law upon such office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall be thereby transferred with such office, bureau, division, or other branch of the public service, or the part thereof which is so transferred. And all power and authority conferred by law, both supervisory and appellate, upon the department from which such transfer is made, or the Secretary thereof, in relation to the said office, bureau, division, or other branch of the public service, or the part thereof so transferred, shall immediately, when such transfer is so ordered by the President, be fully conferred upon and vested in the Department of Commerce and Labor, or the Secretary thereof, as the case may be, as to the whole orpart of such office, bureau, division, or other branch of the public service so transferred."

Act of April 28, 1908 (35 Stat. 69, sec. 3): President authorized "for any special occasion" to transfer "to the head of another department" the authority conferred upon the Secretary of Commerce and Labor to issue regulations for the safety of life during regattas or marine parades.

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Act of June 24, 1910 (36 Stat., 613): "The duties assigned by law to the Bureau of Equipment shall be distributed among the other bureaus and offices of the Navy Department in such manner as the Secretary of the Navy shall consider expedient and proper during the fiscal year ending June 30, 1911, and the Secretary of the Navy, with the approval of the President, is hereby authorized and directed to assign and transfer to said other bureaus and offices, respectively, all available funds heretofore and hereby appropriated for the Bureau of Equipment and such civil employees of the bureau as are authorized by law, and when such distribution of duties, funds, and employees shall have been completed, the Bureau of Equipment shall be discontinued as hereinbefore provided." The same provision was repeated for the fiscal years 1912, 1913, and 1914, in the acts of March 4, 1911 (36 Stat., 1273), August 22, 1912 (37 Stat., 339), and March 4, 1913 (37 Stat., 399).

Act of March 3, 1917 (39 Stat., 1122, sec. 8): "The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such report shall have been made to him, whenever he finds such duplications to exist to abolish the same."

LAWS APPLICABLE IN EMERGENCIES ONLY.

Act of July 1, 1902 (32 Stat., 713, sec. 4): President authorized to "utilize the Public Health and Marine-Hospital Service in times of threatened or actual war to such extent and in such manner as shall in his judgment promote the public interest without, however, in any wise impairing the efficiency of the service for the purposes for which the same was created and is maintained."

Act of January 28, 1915 (38 Stat. 800): "The Coast Guard * * * shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct."

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Act of August 29, 1916 (39 Stat., 602): "The President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of the Navy Department, or of the War Department, such vessels, equipment, stations, and personnel of the Lighthouse Service as he may deem to the best interests of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made."

Act of May 22, 1917 (40 Stat., 87, sec. 16): "The President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of the War Department, or of the Navy Department, such vessels, equipment, stations, and personnel of the Coast and Geodetic Survey as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made."

United States Laws Authorizing Details of Officers and Emunications.

United States Laws Authorizing Details of Officers and Employees from One Department or Bureau to Another at the Seat of Government.

I. CIVIL SERVICE.

Revised Statutes, 166, as amended by act of May 28, 1896 (29 Stat., 179): "Each head of a department may, from time to time, alter the distribution of the clerks and other employees allowed by law, except such clerks or employees as may be required by law to be exclusively engaged upon some specific work, as he may find it necessary and proper to do, but all details hereunder shall be made by written order of the head of the department, and in no case be for a period of time exceeding 120 days: Provided, That details so made may, on expiration, be renewed from time to time by written order of the head of the department, in each particular ease, for periods of not exceeding 120 days."

Act of November 21, 1877 (20 Stat., 3): Heads of departments authorized to detail clerks for temporary service in Surgeon General's office, to furnish information called for by the Commissioner of Pensions.

Act of June 2, 1879 (21 Stat., 7, sec. 7): President authorized to detail officers from the various departments for temporary duty under the National Board of Health to enforce quarantine regulations. (This act expired by limitation in 1883.)

Act of February 15, 1893 (27 Stat., 450, sec. 2): President authorized to detail medical officers to consulates to perform duties under quarantine laws.

Act of February 18, 1893 (27 Stat., 450, sec. 2): Fresident authorized to detail medical officers to consulates to perform duties under quarantine laws.

Act of June 18, 1910 (36 Stat., 556, sec. 16): "The several departments and bureaus of the Government shall detail from time to time such officials and employees" to the commission to investigate railroad stocks and bonds "as may be directed by the President."

Act of September 2b, 1914 (38 Stat., 722, sec. 8): "The several departments and bureaus of the Government * * * shall detail from time to time such officials and employees" to the Federal Trade Commission as the President may direct.

Act of September 7, 1916 (39 Stat., 729, sec. 4): "The President, upon the request of the [United States Shipping] board, may authorize the detail of officers of the military, naval, or other services of the United States for such duties as the board may deem necessary in connection with its business."

Act of September 8, 1916 (39 State., 797, sec. 707): "The Treasury Department, the Department of Commerce, the Federal Trade Commission, or any other departments, or independent establishments of the Government * * shall detail, from time to time, such officials and employees" to the United States Tariff Commission as the President may direct.

Act of March 1, 1917 (39 Stat., 950, sec. 3): "The heads of the several departments of the Government may, in their discretion, and shall upon the request of the Secretary of War, detail representatives from their respective departments to assist the Engineers of the Army in the study and examination" of watersheds significant from the standpoint of flood control, "to the end that duplication of work may be avoided and the various services of the Government economically coordinated therein."

II. MILITARY AND NAVAL SERVICE.

R. S. 1437. "The President may detail, temporarily, three competent naval officers for the service of the War Department in the inspection of transport vesseis, and for such other services as may be designated by the Secretary of War."

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Of October 1, 1890 (20 Stat. 452): President authorized to detail Chief Signal Officer to have charge of Weather Bureau and to assign four other Army officers to that bureau. (Repealed by joint resolution of July 8, 1898 (30 Stat. 752).

Act of October 6, 1917 (40 Stat. 329): Secretary of War and Secretary of the Navy authorized to detail Army and Navy surgeons to Bureau of War-Risk Insurance.

Senate amendment No. 72 to the legislative appropriation bill for the fiscal year 1918 was as follows:

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The congress, to take action looking to a proper and scientific coordination of the work of the various executive departments of the Government; and he is hereby requested to report upon the question of transfer and consolidation of bureaus, divisions, offices, and other governmental activities, in order that duplication of service may be abolished and extravagance and unnecessary expeditures ellmlated."

As agreed to in conference and as it appears in the statutes that provision is as follows:

"Sec. 8. The Bureau of Efficiency shall investigate duplication of the Government, including bureaus and divisions, and etc. after such report shall have been made to him, wherever he finds such duplications to exist to abolish the same. Report of the action taken hereunder shall be made to Congress at its next regular session."

That statute was approved March 3, 1917 (39 Stat., 1122).

(1) In numerous cases more than one bureau or other administrative agency is authorized by law to render the same service. (2) In some statud duplication of service has arisen between the Interior, Agricult

would not attempt itself technological researches involving the equipment of additional chemical laboratories.

What is true with respect to sources of supply of raw materials and technological studies in the fabrication of the finished product is also true with respect to the marketing of the products. The Bureau of Foreign and Domestic Commerce has an organization covering the foreign markets of the world, and is capable of studying the opportunities for the development of American foreign trade of all kinds. The Office of Markets of the Department of Agriculture is also interested in the development of foreign markets, particularly in markets for agricultural products, and, to some extent, for manufactured foodstuffs, and even for other commodities, like cotten textiles, the raw material of which is mainly produced on American farms. While the Bureau of Foreign and Domestic Commerce does not assume jurisdiction over the foreign marketing of wheat or cotton, and the Office of Markets does not assume jurisdiction over the foreign marketing of wheat or cotton, and the Office of Markets does not assume jurisdiction over the foreign marketing of manufactured goods containing no raw materials produced on the farm, there is a class of commodities, such as manufactured foodstuffs, where the authority of the two bureaus is not clearly defined.

The situation is further complicated by the existence of the foreign trade advisers in the Department of State. With respect to domestic commerce, the Bureau of Foreign and Domestic Commerce has little actually to do despite its somewhat indefinite grant of authority. Thus the domestic commerce in manufactured foods is subject principally to the jurisdiction of the Bureau of Chemistry in the Department of the Bu

ment of Agriculture, and matters relating to domestic commerce in sea foods, other than their inspection under the pure-food law, are dealt with by the Bureau of Pisherles.

Turning from the Government bureaus dealing with the Industries of the country to those dealing more directly with the wants of the people, a similar confusion of authority exists. For example, there is a broad grant of authority to engage in activities relating to health, exclusive of the health of persons in the military and naval service. The Bureau of Education, however, looks after the health of Indians in other parts of the United States. The States Relations Service has a some-bealth of farmers, and the Bureau of Mines operates its mine rescue cars and in other ways concerns itself with the health of the mining population. Both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and Navy health services operate medical schools, and both the Public Health Service and the Army and the Army medical service operate hygient laboratories. Commission and safety devices designed for the protection of employees in laterstate commerce and of the traveling public are also inspected under the authority of the Interstate Commerce Commission. Steamboat to a special commission, but the administration of the soliders and salives, however, are inspected by agents of the States public are also inspected under the authority of the soliders and salives in the present of the soliders of the States and the States and the support of the soliders and the support of the soliders and the sup

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"The duties assigned by law to the Bureau of Equipment shall be distributed among the other bureaus and offices of the Navy Department in such manner as the Secretary of the Navy shall consider expedient and proper during the fiscal year ending June 30, 1911, and the Secretary of the Navy, with the approval of the President, is hereby authorized and directed to assign and transfer to said other bureaus and offices, respectively, all available funds heretofore and hereby appropriated for the Bureau of Equipment and such civil employees of the bureau as are authorized by law, and when such distribution of duties, funds, and employees shall have been completed, the Bureau of Equipment shall be discontinued as hereinbefore provided." The same provision was repeated for the fiscal years 1912, 1913, and 1914, in the acts of March 4, 1911 (36 Stat., 1273), August 22, 1912 (37 Stat., 339), and March 4, 1913 (37 Stat., 899).

Act of Mar. 3, 1917 (39 Stat., 1122, sec. 8).

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"The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such report shall have been made to him, whenever he finds such duplications to exist to abolish the same."

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The Coast Guard * * * shall operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct.

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The President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of the Navy Department, or of the War Department, such vessels, equipment, stations, and personnel of the Lighthouse Service as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made.

Act of May 22, 1917 (40 Stat., 87, sec. 16).

The President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of the War Department, or of the Navy Department, such vessels, equipment, stations, and personnel of the Coast and Geodetic Survey as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made.

[W. H. McClenon, Feb. 9, 1918.]

I. CIVIL SERVICE.

R. S. 166, as amended by act of May 28, 1896 (29 Stat., 179).

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Each head of a department may, from time to time, alter the distribution of the clerks and other employees allowed by law, except such clerks or employees as may be required by law to be exclusively engaged upon some specific work, as he may find it necessary and proper to do, but all details hereunder shall be made by written order of the head of the department, and in no case be for a period of time exceeding 120 days: Provided, That details so made may, on expiration, be renewed from time to time by written order of the head of the department, in each particular case, for periods of not exceeding 120 days.

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President authorized to detail officers from the various departments for temporary duty under the National Board of Health to enforce quarantine regulations. (This act expired by limitation in 1883.)

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President authorized to detail medical officers to consulates to perform duties under quarantine laws.

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"The several departments and bureaus of the Government shall detail from time to time such officials and employees," to the commission to investigate railroad stocks and bonds, "as may be directed by the President."

Act of September 26, 1914 (38 Stat., 722, sec. 8).

"The several departments and bureaus of the Government * * * shall detail from time to time such officials and employees" to the Federal Trade Commission "as the President may direct."

Act of September 7, 1916 (39 Stat., 729, sec. 4).

"The President, upon the request of the [United States Shipping] board, may authorize the detail of officers of the military, naval, or other services of the United States for such duties as the board may deem necessary in connection with its business."

Act of September 8, 1916 (39 Stat., 797, sec. 707).

"The Treasury Department, the Department of Commerce, the Federal Trade Commission, or any other departments or independent establishments of the Government * * * shall detail, from time to time, such officials and employees " to the United States Tariff Commission" as the President may direct."

Act of March 1, 1917 (39 Stat., 950, sec 3).

"The heads of the several departments of the Government may, in their discretion, and shall upon the request of the Secretary of War, de-tail representatives from their respective departments to assist the engineers of the Army in the study and examination" of watersheds

significant from the standpoint of flood control, "to the end that duplication of work may be avoided and the various services of the Government economically coordinated therein."

II. MILITARY AND NAVAL SERVICE.

(R. S. 1437.)

"The President may detail, temporarily, three competent naval officers for the service of the War Department in the inspection of transport vessels, and for such other services as may be designated by the Secretary of War."

Act of June 16, 1880 (21 Stat., 274).

Secretary of War authorized to detail two officers of Ordnance Corps to serve with Geological Survey.

Act of October 1, 1890 (26 Stat., 653).

President authorized to detail Chief Signal Officer to have charge of Weather Bureau, and to assign four other Army officers to that bureau. [Repealed by joint resolution of July 8, 1898 (30 Stat., 752)].

Act of October 6, 1917 (40 Stat., 399).

Secretary of War and Secretary of the Navy authorized to detail Army and Navy surgeons to Bureau of War-Risk Insurance, [W. H. McClenon, Feb. 9, 1918.]

A MEMORANDUM CONCERNING DUPLICATION OF SERVICE.

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[W. H. McClemon, Feb. 9, 1918.]

A MEMORANDE CONCENSING DIPLICATION OF SHRYICE.

(1) In numerous cases more than one bureau or other administrative agency is authorized by the to-mander the same service. (2) In most of these cases the various duly authorized agencies are ambitious to render all the services within their power. (3) In some cases actual duplication of service has resulted. (4) In a large number of cases the legitumate development of bureau and to compare the same profession of the compared of the large of the compared of the compared of the compared of the large of the large of the compared of the large of

safety devices designed for the protection of employees in interstate commerce and of the traveling public are also inspected under the authority of the Interstate Commerce Commission. Steamboat boilers, however, are inspected by agents of the Steamboat-Inspection Service. The administration of the United States employees' compensation act, applying to civilian employees of the United States, is intrusted to a special commission, but the administration of the soldiers' and saflors' insurance law, covering persons now in the military or naval service, is intrusted to the Bureau of War-Risk Insurance, whilst the payment of pensions to veterans of the Civil War and their dependents—involving duties of much the same general character as those involved in the payment of family allotments and allowances by the Bureau of War-Risk Insurance to dependents of persons in the military and naval services of the United States in the present war—is the function of a separate Pension Office.

The Public Health Service is interested in a general way in the pre-

payment of family altothents and allowances by the Bureau of WarRisk Insurance to dependents of persons in the military and nava' services of the United States in the present war—is the function of a separate Pension Office.

The Public Health Service is interested in a general way in the prevention of the spread of disease. For example, it has been interested
in preventing the spread of bubonic plague by rats and ground squirrels
on the Pacific coast, and in the spread of various diseases by files and
mosquitoes everywhere. The Biological Survey of the Department of
Agriculture is also interested in the study of rats and ground squirrels,
and the Bureau of Entomology in the Department of Agriculture in
files and mosquitoes. Whilst the Biological Survey has a general interest in the wild animals of the United States, jurisdiction over Alaskan fur animals is vested in the Bureau of Fisheries, and jurisdiction
over the reindeer in Alaska in the Bureau of Education. Whilst the
Bureau of Entomology is interested in all kinds of insects, whether
noxious to man, to animals, or to the useful plant life of the country,
the study of insects injurious to forest trees is a matter of special concern to the Forestry Service.

Turning from health to education, we find that though there is a Federal Bureau of Education with a general authority to study matters in
relation thereto, there is also a Children's Bureau with a general authority to study matters relating to the education of children, a Bureau
of Immigration with a growing interest in the education of immigrants, a Federal Board of Vocational Education with a special responsibility concerning the agricultural colleges and extension work
in the rural districts, and a Bureau of Foreign and bomestic Commerce
with an incipient interest in the training of persons for employment in
connection with foreign commerce.

The general subject of prices and the cost of living is one with
respect to which a number of bureaus have more or less overlapping
autho

[From the Journal of Commerce and Commercial Bulletin, New York, Friday, Mar. 22, 1918.]

CONCENTRATING EXECUTIVE WAR POWER.

Concentrating executive war power.

Connected with a conference of the President with the heads of the War Industries Board and of various bureaus in different departments having to do with war activities, the so-called Overman bill has been reported to the Senate from its Judiciary Committee. The vote of the committee for reporting the bill as it stands was 11 to 7, eight of the former number being from Democrats and three from Republicans and two of the latter from Democrats and five from Republicans. This is not such evidence of nonpartisanship as is desirable, but it indicates a spirit of independence of party motives which shows signs of progress. The main purpose of this bill, as stated in a preliminary clause, is "for the national security and defense, for the successful prosecution of the war, for the support and maintenance of the Navy, for the better utilization of resources and industries, and for the more effective exercise and more efficient administration by the President of his powers as Commander in Chief of the land and naval forces." This is certainly a very important purpose af the present time, and the best way for its achievement is to be desired. How is it to be done? By hampering the Commander in Chief or by giving him full control of the agencies devised for accomplishing the objects in view?

What is proposed is to authorize him "to make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto hy law conferred upon any executive department, commission, bureau, agency, office or officer, in such manner as in his judgment shall seem best fitted to carry out the purpose of this act." For this he may make such regulations and issue such orders as he may deem necessary. There is a proviso that the authority granted shall be exercised only in matters relating to the conduct of the present war, and another that the action of peace as the President may designate.

No doubt a variety of objections will be raised to t

there would be no doubt or difference of opinion about it. W public service of so much consequence? Are private business much more trustworthy than public servants?

Mr. LEWIS. Mr. President-

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. LEWIS. I did not rise to take the floor or to address myself at this time to the bill, but to ask the Senator from Pennsylvania [Mr. Knox], in connection with the colloquy between him and the Senator from North Carolina, as to the construction to be placed upon the pending bill. The Senator from Pennsylvania asked the Senator from North Carolina, as a test of the construction of the bill, if I did not misunderstand him, what particular departments could be consolidated or transferred under the bill that could not now be consolidated or transferred by Executive order of the President in the execution of his duties as Commander in Chief. May I ask, does the Senator from Pennsylvania assume that, under the existing law, without the passage of the pending measure, the duties of the Quartermaster General in connection with purchases for the Government in his department, such as clothing; the duties of the commissary officer; and the duties of the Chief of Ordnance in connection with the purchase of ordnance and the letting of contracts-does the Senator assume those duties now could be taken from these officers and coordinated in a single head by the President's order and the power be given to make contracts and execute such purchases without some act of legislation?

Mr. KNOX. To begin with, the Senator from Illinois entirely misapprehended the question-

Mr. LEWIS. That may be.
Mr. KNOX. That I put to the Senator from North Carolina. I asked the Senator from North Carolina was this: I asked him would be be willing to cite a single instance where the transfer of the functions of one executive branch of the Government to another was necessary for carrying on the war that the President under existing law and under his authority as Chief Executive did not have the power to make the transfer? That is not the question that has been put to me now by the Senator from Illinois.

I perhaps can make myself a little more clear by putting it There is a marked difference between delegatin another way. ing to an individual, whether he be in the Quartermaster General's Department or in the State Department or in the Interior Department, the performance of a specific act, and transferring the functions and duties of one of those departments to another department. My allegation as to the President's power as Chief Executive relates to his power to call

upon individuals to perform specific acts.

Why, Mr. President, if the Senator from Illinois will permit me to go on for just a moment, within my own experience I have known of hundreds of cases where the President of the United States has designated to one Cabinet officer the functions or duties in a specific matter that naturally and normally devolved upon another Cabinet officer. I have known instances where questions had been brought before the Cabinet by one member of the Cabinet that contained points of interest that affected other departments than his own and the President has directed the two or three of them to get together, to coordinate upon that subject, and to present a joint conclusion for his de-So I mean that by establishing within a department by an Executive order a rule that all subjects of a certain character shall be dealt with under the direction of a certain individual or a board of individuals, whether he takes that individual or those individuals out of that particular department or takes them off the highway, the President's authority is supreme; all that the President has to do is to make the order that it shall be done in that war; and every faithful and loyal employee of the Government will heartily fall in line and support him. If he does not, there is a way to dispose of that type of official.

Mr. LEWIS. Now, Mr. President, with the Senator's permisslon, may I test the distinction he makes by an inquiry? Assume that the President would, as Commander in Chief, have it in mind under this bill to consolidate the purchasing powers of the commissary officer and of the quartermaster officer in a single body, for reasons of economy, or in order that he might have a person schooled and skilled in the subject matter of purchases and that he might get away from those questions that have been raised here on this floor and with regard to which much evidence has been shown of considerable lack of experience, does the Senator not recognize that this bill would give the President power where he would not now have it under existing law, because of statutes specifically defining the duties of the Quartermaster General and the power of the Commissary

Perhaps I have subjected myself to this crossexamination by having made a very innocent and simple inquiry of the Senator from North Carolina, and I will answer the Senator only in a general way. I do not have the honor of a very extended personal acquaintaince with the President of the United States; but if he has one-half the ability and the ingenuity with which I credit him, the specific thing mentioned by the Senator from Illinois or any other specific thing that necessary to be done in the executive offices he can bring

Mr. OVERMAN. Will the Senator from Illinois yield to me, that I may ask the Senator from Pennsylvania a question?

Mr. LEWIS. I yield to the Senator from North Carolina, having charge of the bill. I will cover the question myself later.

Mr. OVERMAN. The Senator from Pennsylvania, having stated that the President has this power, will the Senator kindly cite me to any statute anywhere that gives him such

Mr. KNOX. If the Senator from North Carolina will hark back to the question that I have put to him two or three times and cite an instance where the President wants to do something in order to carry on this war that he does not have the power to do, I will undertake to answer his question. [Laughter.]

Mr. OVERMAN. No; the Senator has said to the Senator from Illinois that the President has certain powers that he could exercise. Now, if there is such a power-if the President has the right to do the things that the Senator from Pennsylvania says he has the right to do-I should be greatly obliged if the Senator would cite to me any law upon the statute books that authorizes him to do it.

Mr. KNOX. Mr. President, replying to the Senator's question, there is a law. It is not upon the statute books. It is

written in the Constitution of the United States.

The President is constantly being referred to in debate as performing the function of executing the laws. He has a larger and a more definite function. He executes his office as President, and he takes a peculiar oath-an oath that no other officer of the United States takes. He takes an oath to execute faithfully the office of President. Now, the office of President is not limited to executing the laws. The President is no mere supermarshal or sheriff. He has certain functions to perform in the execution of the laws, but he has higher and broader and greater, if less definite, functions as the Chief Executive of the United States; and as the Chief Executive of the United States it is his duty, his power, and his right to coordinate all of the instrumentalities that Congress has placed in his hands to carry on the executive departments, and all of the instrumentalities and powers that have been placed in his hands to carry on this war, and to see that individuals do as he directs; and, in faith, he has done so. He has done so time and time again, and, so far as I know, without just criticism.

Here within the last week or two, when the aircraft deficiencies were brought to light, and our great disappointments were pointed out to us, does the President send to the Secretary of the Interior, or the Secretary of War, or the Secretary of the Navy to take charge of the aircraft business, and make an investigation, and report what shall be done? sends for a Democratic politician in California and another gentleman who is in no way connected with the Government. I am not reflecting upon his judgment in selecting the gentleman from California, but I just happen to know of him as a leading Democratic politician and an able lawyer. But he is a man unconnected with the Government of the United States; and the report of that board-that board of two men, neither of whom is connected with the Government of the United States-will be the report that will determine governmental

activities in relation to our air fleet.

Need I point, Mr. President, to the functions—the superfunctions-performed for this Government, and performed ably, so far as I know, by Col. House? What powers have not been vested in Col. House to represent the dignity and the sovereignty and the might of this Government in the courts of Europe, in the most delicate matters? Of that I am making no complaint. I am only trying to illustrate that the greater includes the less. If the President may do all of these greater things without a specific statute, if he may do them all without seeking from Congress specific authority, why may he not do the lesser things with respect to utilizing, coordinating, and directing those who are placed under him for the very purpose of enabling him to perform the detail of his duties and responsibilities?

Mr. OVERMAN. Mr. President, the Senator from Pennsyl-

vania is always so fair and so frank that I am a little bit aston-

Mr. KNOX. I hope that is not unusual.

Mr. OVERMAN. I do not see why he should bring in Col. House. No; I am very fond of the Senator, and I am really surprised that he should bring in the name of Col. House, or Mr. Denman, or anyone else. I was asking him a frank ques-

tion of law. I was asking his opinion as a lawyer.

Now, the Senator was the great adviser of Mr. Taft. Secretary of State. He was Attorney General under Mr. Roosevelt. He was Secretary of State, and I honor him as a great But Mr. Taft had his Cabinet around him. Secretary. a message to the Senate, which I have cited here, stating that the country had the most unscientific system of government on earth, and that he wanted an investigation held so that he could see what to do, and that there was duplication of work everywhere. Now, if the President had the power to do what the Senator says, why should he be coming to Congress asking Congress for a law to do that which he says he had the power to do?

Mr. FLETCHER. Mr. President, it occurs to me that the Senator from Pennsylvania [Mr. Knox] has not quite made the distinction that ought to be made between a situation such as he mentions-the general exercise of authority over an office and the general executive powers which the President may pos-

sess that do not conflict with some statute.

If there is a statute enacted by Congress which requires that certain duties shall be performed by certain departments or heads of departments, that certain functions must be performed by certain officials, the Senator will at once admit that the President can not ignore or override the express provisions of the statute. If there is no statute to the contrary the President may do the various things which the Senator has indicated he may do. He may select the head of one department and assign to him certain work and certain duties and ask him to do that, even though ordinarily they fall under the head of some other department. But if there is a statute which says that those duties must be performed by a certain officer, then, of course, the President can not assign those duties to some other officer or appoint some other officer to perform those duties; and it is to meet that situation that this bill is proposed. It is intended to make it unnecessary, when the President wants to accomplish a certain important piece of work, for him to search out the statutes to see whether or not, if he does the thing he wants to do and feels that it is necessary to do, he is violating a statute somewhere. It ought not to be incumbent upon him to take the time to search through the books to see whether some statute stands across his pathway when he is endeavoring to conduct the affairs of this Nation in this great crisis. If those statutes do exist this law gives the authority to the President, notwithstanding such statutes as might ordinarily interfere, to do the things that are needful and that are helpful in this emergency.

For instance, and just to illustrate, only a few days ago-in fact, on the 23d of this month—the Senate passed a bill,

S. 3982, which provides that-

So much of section 1133 of the Revised Statutes-

And there is an express statute enacted by Congress-

as restricts the purchase and distribution of military stores and supplies and the work of construction and repair to officers of the Quartermaster Corps be, and the same is hereby, suspended for the period of the present war.

Now, we have found it necessary to pass, and we have deliberately passed, a special act to suspend a certain section of the Revised Statutes which stood in the way of efficient administration. We do not want to have to be doing that every day, or once a week, or even once a month. To avoid doing that sort of thing this general bill is proposed, and it meets the situation, It makes it unnecessary for special acts to be brought in here from time to time amending, suspending, or altering some provision of some law which we have heretofore passed; and it is only in case a statute limits the power of the President or vests the authority somewhere else that he is unable to act.

In all other respects I quite agree with the Senator from Pennsylvania that the President's power is practically unlimited, but when Congress has by legislation prescribed certain things that must be done by certain departments or certain officers, the President can not order that to be done in some other way, although he may find it absolutely necessary that it should be done otherwise; and, as the Senate found in the case of the particular bill to which I referred, which has passed the Senate, he found it necessary to suspend during the period of the war certain sections of the Revised Statutes. We have been doing There are dozens of such special acts upon the it right along. There are dozens of such special acts upon the statute books. This is to avoid that sort of thing and the delay consequent upon it, because these acts can not be passed

on the minute.

Senators say: "Well, after these things arise, and the questions are presented to the Senate, we are ready to stand behind the President and pass such legislation as will meet the situation." But a bill is introduced. It goes to a committee. The committee takes it up maybe within a week, maybe within 10 days or two weeks, and then it is reported back to the Senate. It goes on the calendar. It may be here two or three weeks or a month, and finally it is passed. In the meantime the public interests suffer. It is that sort of situation that this bill is intended to meet; and I think a clear distinction should be drawn between it and the matter submitted by the Senator from Penn-

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had reconsidered the vote by which it disagreed to the amendments of the Senate to the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919, and requested a conference with the Senate on the disagreeing votes of the two Houses thereon.

The message also announced that the House returned to the Senate, in compliance with its request, the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919, with the Senate amendments

and accompanying papers.

PUNISHMENT OF SEDITIOUS ACTS AND UTTERANCES.

Mr. OVERMAN. Mr. President—
The PRESIDING OFFICER. The Senator from North Caro-

Mr. OVERMAN. I ask the Senate to lay aside this bill (H. R. 8753), without objection-

Mr. SMITH of Georgia. We object.

Mr. OVERMAN. To take up, I want to say to the Senator from Georgia, the most important bill, I think, that has come before the Senate this session-Order of Business 319.

Mr. KIRBY. What is it? Mr. LODGE. Does the Does the Senator move to take up that bill instead of the other?

Mr. OVERMAN. No; I am going to ask that this bill be laid aside temporarily.

Mr. GALLINGER. What bill does the Senator refer to?

Mr. OVERMAN. It is the bill reported out unanimously from the Judiciary Committee

Mr. LODGE. I think I know the bill.
Mr. KIRBY. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Arkansas?

Mr. OVERMAN. I yield to the Senator from Arkansas.

Mr. KIRBY. I should like to know how long it is contemplated that this second bill will require the attention of the

Senate. I believe the present bill is the most important legislation that is before Congress at this time, and if it is liable to be displaced long by the other bill my purpose is to object to the request for unanimous consent.

Mr. OVERMAN. I think they are both very important; but the Attorney General is very anxious that the bill to which I refer shall be passed at once, for the reason that the bond sale begins on the 6th of April. Unless the Senate passes this bill before the 6th we will have practically no law on the subject. Mr. STONE.

What is it? Mr. OVERMAN. I will state the title of it in a minute, as soon as it is brought to me. It is in the interest of selling the bonds.

Mr. LODGE. Mr. President, I should not object to taking up the bond bill. It ought to be passed immediately. Mr. OVERMAN. Immediately.

Mr. LODGE. And it ought to become law before the 6th. Is that the bill to which the Senator refers?

Mr. OVERMAN. That is the bill which I am trying to get up, in order that we may have a sale of bonds.

Mr. GALLINGER. The Senator said it was a bill reported by the Judiciary Committee.

Mr. OVERMAN. Yes.
Mr. GALLINGER. The Senator does not mean that.

Mr. SMITH of Georgia. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. SMITH of Georgia. I really thought I had the floor at

first, but-

The PRESIDING OFFICER. The Chair recognized the Senator from North Carolina.

Mr. SMITH of Georgia. We object to the substitution. Mr. OVERMAN. I may move to take it up, anyway, because Senators will see the importance of it. It is a bill with regard

to the sale of these bonds. I will ask that this bill be laid aside temporarily.

Mr. GALLINGER. Mr. President, the Senator means the bill reported this morning from the Finance Committee, does he not? Mr. OVERMAN. Oh, no. I mean the bill reported on yesterday from the Judiciary Committee affecting the bonds.

Mr. LODGE. That is not the bond bill.

Mr. SIMMONS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to his colleague?

Mr. OVERMAN. I refer to the bill that I asked to have published in the Record and printed. The clerks will understand the bill I mean.

Mr. STONE. How does that bill relate to bonds?

Mr. SIMMONS. Mr. President—
The PRESIDING OFFICER. Does the Senator from North Carolina yield to his colleague?

Mr. OVERMAN. I will not yield the floor until I get the bill. I do not yield to anybody now.

Mr. CUMMINS. Mr. President, I rise to a parliamentary

inquiry

The PRESIDING OFFICER. The Senator will state it.

Mr. CUMMINS. The inquiry is this: Has a request been made for unanimous consent to lay aside temporarily the unfinished business?

The PRESIDING OFFICER. Not yet.

Mr. OVERMAN. Mr. President, I want to read the title of the bill, so that Senators will understand it before they object. The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. OVERMAN. It is entitled-

An act to amend section 3, title 1, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917.

Mr. GALLINGER. The Senator said it was a bond bill. The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Hampshire?

Mr. OVERMAN. I do.

Mr. GALLINGER. I understood the Senator to say that he was going to ask to consider a bond bill. That is not a bond bill.

Mr. OVERMAN. Oh, no. I said a bill connected with the sale of the liberty bonds.

Mr. LODGE. This has nothing to do with that. Mr. OVERMAN. The Senator misunderstood me.

I want to say to the Senators that we have had seven or eight trials in this country of criminals who interfered with the sale of liberty loans and with the draft; and some judges have held. I think wrongly, that these persons could not even be convicted for doing everything in their power to prevent the sale of liberty bonds by making speeches all over this country. We want to make the law fuller, and have a supplemental act. Insmuch as the bonds go on sale on the 6th of this month, we want this bill passed. The department is very anxious to have it passed by Congress

Mr. SIMMONS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to his colleague?

Mr. SIMMONS. I ask my colleague if he will not yield to me to make a report of the bond bill, so that we may first pass the bond bill which he is talking about?

Mr. OVERMAN. Of course that is probably even more necessary than this one. I yield to my colleague to make a report.

THIRD LIBERTY LOAN.

Mr. SIMMONS. From the Committee on Finance I report back favorably, with amendments, the so-called bond bill, and I submit a report (No. 351) thereon.

The PRESIDING OFFICER. The Senator from North Carolina reports favorably, from the Committee on Finance, a bill the title of which will be stated by the Secretary.

The Secretary. A bill (H. R. 11123) to amend an act ap-

proved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign Governments, and for other purposes."

The PRESIDING OFFICER. The bill will be placed on the

calendar.

Mr. SIMMONS. Mr. President, I now ask my colleague if he will not consent to temporarily lay aside the unfinished business in order that we may proceed to the consideration of this bill?

Mr. OVERMAN. Why, of course, Mr. President.

The PRESIDING OFFICER. The junior Senator from North Carolina asks unanimous consent to temporarily lay aside the Is there objection? The Chair hears none, unfinished business. Is there objection? The Chair hears none, and the unfinished business is temporarily laid aside. The senior Senator from North Carolina now asks unanimous consent to proceed to the consideration of the bill the title of which has just been stated by the Secretary. Is there objection?

There being no objection, the Senate, as in Committee of the

Whole, proceeded to consider the bill (H. R. 11123) to amend an act approved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes," which has been reported

from the Committee on Finance, with amendments.

Mr. SIMMONS. Mr. President, I would not have injected this bill into the situation that has developed here this afternoon but for the fact that the circumstances are such as to make it exceedingly important that it should be acted upon at once. state the cause of this urgency. This bill is a House bill. The Committee on Finance, to which it was referred, has made several amendments to it. If those amendments should be adopted by the Senate, as I anticipate they will be, it will be necessary for the bill to go back to the House for further action. If the House should decline to accept the amendments, it would then have to go to a conference upon the disagreeing votes of the two Houses. If this process must be gone through with—and the probabilities are that it will have to be—the chances are that the 6th of April will arrive before the bill can become a law.

The Secretary of the Treasury thinks-and in that opinion the Finance Committee entirely concurs—that it is very important that the bill should become a law before the 6th day of this month, because on that day he will offer these liberty bonds it authorizes for sale. Elaborate machinery has been devised, and is in course of execution, to hold on that day in every town and hamlet throughout the United States patriotic liberty bond meetings. It is expected that at these meetings these bonds will be offered for sale, and that at each of these meet-It is expected that at these meetings these ings subscriptions will be solicited and urged and the campaign started with a vigorous impetus. Of course it would be embarrassing to ask for subscriptions to these bonds before they have been authorized and the rate of interest established and fixed. For these reasons I am going to ask the Senate not only to take up this bill this afternoon but, if necessary, to remain in session a little later than usual, in order that we may, if possible, reach a vote this afternoon, so that the bill may get to the House of Representatives on to-morrow.

Mr. President, I will detain the Senate only a few minutes in explanation of the provisions of the bill and the amendments

proposed by the Finance Committee to it.

This bill takes the form of an amendment to the bond act approved September 24, 1917. That is the act authorizing the

second liberty bond issue.

I will briefly enumerate the essential provisions of the bill, The bill provides for an increase in the amount of liberty bonds authorized by the act of September 24, 1917, from \$7,558,000,000, in round figures, to \$12,000,000,000. That is to say, it authorizes an additional issue of these bonds amounting in the

aggregate to, in round numbers, \$4,500,000,000.

The bill also fixes the rate of interest which this new issue shall bear at 41 per cent, being an increase of one-quarter of 1 per cent over the rate prescribed in that act. It also authorizes the Secretary of the Treasury to issue a part of these bonds—as to what part, he is permitted to exercise his discretion—payable in foreign moneys. I wish to make it clear that of the total increase authorized by the bill, namely, four and a half billion dollars, three billions is for domestic purposes and one billion and a half to extend credits to our allies in the war.

Mr. LEWIS. Mr. President—
The PRESIDING OFFICER. Does the Senator from North

Carolina yield to the Senator from Illinois? Mr. SIMMONS. I yield to the Senator.

Mr. LEWIS. At this point I will inform the Senator that I am requested by those interested in this measure to interrogate

him as to the following sought information:

The Senator has just concluded that paragraph of his lucid presentation showing that this bill contemplates extending to the allies the loan of a certain sum of money. May I ask the Senator if there is any provision in the bill which calls for the allies spending that money in the United States?

Mr. SIMMONS. Mr. President, there is no such provision in

the bill.

Mr. LEWIS. Then, I ask the able Senator if he knows of

those who object to this bill on the ground that, so far as the loan extended to the allies is concerned, the money is to be expended out of the United States, in violation of what they say was a previous understanding as published generally to the -that there is an understanding which would practically call, in honor, for the expenditure in the United States of this money which we are loaning to the allies?

Mr. SIMMONS. Mr. President, I think all the loans made by the United States to the allies have been spent in the purchase of supplies and materials in this country. These loans are to extend credits in this country to the allies, and the purpose of this provision in the present bill is to further extend their It is expected, as the Senator says was understood, that it will be spent in this country. I understand that the previous loans have been used in paying for purchases or expenses incurred in this country and that they were sought and made to enable our allies to meet these obligations in this country.

Mr. LEWIS. Thanking the Senator, then, it is the Senator's understanding that the spirit of this advance to the allies is upon the theory that the money is to be expended in the United

Mr. KING. May I suggest a thought to the Senator? I do so because I may have received an erroneous impression from his reply to the Senator from Illinois. I sincerely hope that this body will not go on record in support of a proposition that would restrict our allies in the use of any money loaned or credit extended to them. They should be permitted to make such use of money or credits as their necessities require. It is a painful thing to me to have it suggested that we shall determine the use to which our allies shall put the credits or loans made to them. I do not see how any patriotic person who buys liberty bonds could demand a limitation upon the conduct of our allies in expending money loaned or credits extended to them. If they wish to expend it here, so much the better; if they need to spend it in France or wherever it may be deemed proper to advance our cause and their cause and the cause of humanity, speaking for myself I should feel ashamed to impose any limitations upon them.

Mr. SIMMONS. The Senator did not understand me to say that there was any limitation imposed in any legislation that

we passed?

No; I did not so understand the Senator, but-Mr. KING. Mr. SIMMONS. There was no limitation imposed in the law.
The act provides for extending to the allies a certain amount of credit. What I did say was that my understanding is that up to this time the moneys that have been advanced to them have been expended in this country.

I have no doubt, Mr. President, if a case should arise in which the allies need a part of this money for use abroad in the prosecution of the war the Secretary of the Treasury would have authority to act in that case as his judgment might dictate, because there is nothing in the law to limit his discretion in this respect. But that condition has not arisen up to

this time as far as I know.

Mr. KING. If the Senator will pardon me, I did not want any impression to arise here from the question propounded by the distinguished Senator from Illinois or the reply thereto by the able Senator from North Carolina that this Government in any money which it loaned to the allies or any credits extended would limit the use to which it would be placed other than that it should contribute to the prosecution of the war. think that the allies ought to be permitted to employ what we advance to them as they please, because we know they are fighting our battles as well as their own.

Mr. SIMMONS. I will state to the Senator I know of no request of the allies for credit except for the purpose of meeting their obligations growing out of war purchases and expendi-

tures in this country.

Mr. KING. But if they needed money or credits to meet obligations at home or elsewhere.

Mr. SIMMONS. Then, there is nothing in the law to prevent the Secretary of the Treasury from extending credit to them. But I do not think he will extend it unless it was shown clearly that the money was to be used in some way contributory or necessary to the prosecution of the war.

Mr. KING. Obviously, and I think that is what the money is

desired for; but I should not wish the Impression to go out that we are loaning this money to the allies "with a string to it," namely, that they must spend every dellar of it in

this country.

They might avail themselves of the credits which we give them in meeting obligations incurred in Cuba or South America, any understanding whereby I will be justified in saying to We might be able with trade balances to settle their liabili-

tles in neutral countries, liabilities created in the purchase of articles imperatively demanded in the war.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield further to the Senator from Illinois?

Mr. SIMMONS. I yield.

Mr. LEWIS. Since the Senator from Utah has alluded to my query to the Senator from North Carolina in charge of the bill, I would have him understand my position, and a single expres sion will conclude it. Since the understanding with the allies that as to money given by us on credit, as the Senator from North Carolina correctly describes it, was to be expended in the United States and the people of the United States then, in understanding, authorized us, their representatives, to provide the money, we should then be sure that the thing we are doing in advancing this money without the consent of our constituents is along the line of the understanding upon which they are lending the money.

I therefore will insist, so far as I am concerned, that since that understanding has been entered into that the allies are to spend this money in this country, it being our people's money, and as we are paying our own debts as well as we may, we should have full compliance with that understanding.

But if the time shall come, as the Senator from North Carolina would say, that we give the money to the allies to do as pleases them, that should be spread to the public to show that it was a gift or a loan with which to do as they pleased, but it ought not to be confused here. This measure should be clear, and the Senator from North Carolina, I think, has made it very

Mr. SIMMONS. I wish to add that the allies in the first instance only asked of us credit for the purpose of financing their purchases in this country. They have never asked that the object and purpose of the loan be extended beyond that contained in the original request, so far as I know. If the allies shall come and show us a situation that makes it necessary or desirable in the interest of the common cause that a part of this money shall be expended outside of the United States, there is nothing in the law to prevent the Secretary of the Treasury from agreeing to a proposition of that sort, and I have no reason to believe he would withhold his assent to it.

Will the Senator from North Carolina yield?

Mr. SIMMONS. I yield to the Senator from Utah. Mr. SMOOT. Mr. President, what the Senator from North Carolina has stated is true; but I want to go still further and say to the Senator from Illinois that financial conditions of the world to-day, the distribution of the gold of the world, would prevent the Government of the United States from lending to the allies the amount of money that she is lending unless it were for goods manufactured in the United States.

We have only \$3,000,000,000 worth of gold in the United States, which is one-quarter of the gold of the world, and if we loaned our gold to our allies we would have little to issue Federal reserve bank notes on, and before this war is concluded

I look for large issues of such notes.

Therefore, Mr. President, I think I can truthfully say that the amount which will be advanced to the allies by the United States Government will be the amount of goods that they purchase in the United States. We are not allowing gold to be shipped out of the United States to-day, and we are not going

to allow it in the near future.

The balance of trade between the United States and our allies has got to be settled by loans to the allies, as the balance of trade is in our favor, and it is a physical impossibility for England or France or Italy or any of our allies to advance money to pay balances that are adverse to them. They have not got the gold to do so; and the only way left for us to do is to advance loans to them to the amount of goods that they purchase in this country. This we have been doing and will

Mr. President-Mr. KENYON.

SIMMONS. I yield to the Senator.

Mr. KENYON. I wish to ask the Senator from Utah, because I thoroughly agree with what the junior Senator from Utah [Mr. King] said, Does the Senator mean that we have reached a situation where the allies must have money, which money may not be necessarily expended in this country, and that under this loan we can not give it to them?

Mr. SMOOT. No; there is nothing in the law or in this bill

providing that.

Mr. KENYON. What is the contract the Senator from Illi-

nois [Mr. Lewis] speaks of?

Mr. SMOOT. It is understood generally, I believe, that we are going to advance \$500,000,000 a month to our allies, because I

that is about the amount of the purchases that all our allies make in this country.

I wish to say to the Senator from Iowa that England will take care of her local credit, just the same as we will, by the sale of bonds and certificates of indebtedness, and the bonds, to a large extent, will be the basis of the issuing of Federal reserve bank notes.

Mr. KENYON. What about France? Mr. SMOOT. France in exactly the same way and Italy in the same way. So far as their local financial affairs are concerned, they are not asking us to help them as yet; they do not need it. As long as the people of France are content with the security of the whole government back of the issues that France offers for sale there will be no trouble. It is the same with England and it is the same with Germany. The German people are to-day buying German bonds, although they know that there is issued twelve times the amount of government obligations against the gold held by Germans as compared with the United

Mr. SIMMONS. Mr. President, this is not a practical question which we have been discussing. None of our allies have ever asked us for any money for any other purpose than to pay their bills here, and there is no intimation or suggestion of any kind that they will do so with reference to this Ioan.

The bill again provides that this issue of bonds, which is to be known as the third liberty bond issue, shall be nonconvertible into any future issue bearing a higher rate of interest.

Mr. KENYON. May I ask the Senator from North Carolina question?

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from North Carolina yield to the Senator from

Mr. SIMMONS. Yes. Mr. KENYON. Is the provision for 4½ per cent interest es-

sential in order to float the bonds?

Mr. SIMMONS. I think it is the opinion of the Secretary of the Treasury that it might be difficult to place this large amount of bonds just at this time, with last issue somewhat below par, at the rate of 4 per cent, that being the rate borne by the last liberty bonds. He does believe, however, that by increasing the rate a quarter of 1 per cent and providing a sinking fund, as proposed in this bill, for the purchase of these bonds to stabilize the market it will be quite easy for him to float this loan at 41 per cent, the rate fixed in the bill.

Mr. KENYON. I do not put my judgment, of course, against

that of the Secretary of the Treasury, but I believe the bonds

could have been floated at 4 per cent.

Mr. SIMMONS. That may be true, but the Secretary of the Treasury apprehended and told the committee there might be difficulty in floating them under the circumstances at that rate. Personally I believe that it might be accomplished through appeals to the aroused patriotism of our people; but I do not think it would be an easy thing to do at that rate, especially in view of the fact that these bonds are subject to certain Federal taxes, which, of course, indirectly reduces the rate of interest, and the fact that the fours are now slightly below Besides the nonconvertibility of these particular bonds into bonds bearing a higher interest rate take from them an important incentive in the purchase of the two former issues. I think the Secretary feels confident that if it is necessary hereafter to issue more of these bonds, as it doubtless will be, it will not be necessary to increase the rate of interest.

The 4 per cent liberty bonds that have already been issued are convertible into these 4½ per cent bonds. Those that have not been issued will when issued bear the 4½ per cent rate. The 31 per cent bonds, under the contract written in the bonds, are convertible into any subsequent issue at a higher interest rate. So they are not foreclosed as to further convertibility.

Mr. KELLOGG. Mr. President-

Mr. SIMMONS.

I yield to the Senator. The 3½ per cent bonds, of course, would not Mr. KELLOGG. be subject to their exemption if converted into 41 bonds.

Mr. SIMMONS. Of course they would not. The contract then would be according to the terms of the 41 per cent bonds. bill also provides for increasing the certificates of indebtedness authorized to be issued by the Secretary of the Treasury from \$4,000,000,000 to \$8,000,000,000. This is a very large increase, it is true, but an analysis and study of the financial situation just at this time will make it apparent to any Senator that there is ample justification for this increase. The Secretary of the Treasury in the next fiscal year is going to be compelled to resort to the issue of these certificates to a very much greater extent than he has been during the present fiscal year, and for

that reason we felt that the law should authorize the liberal

margin specified in the bill.

The bill as it originally passed the House contained a section known as section 5, prohibiting the States and subdivisions from taxing these bonds in the hands of the banks through the device of taxing the shares of stock in national banks or other banks and trust companies. Before that bill reached the Senate it was recalled, and, I believe, recommitted to the Committee on Ways and Means, and that committee struck out this provision and inserted as a substitute the provisions which now appear in the House bill as section 5, and which your committee has stricken out.

Your committee thought if we should adopt this section, either as originally agreed upon and passed by the House or the substitute finally adopted by it, that a controversy would be precipitated which might lead to protracted debate or legislative delays, which it was so desirable for the reasons I have heretofore stated to avoid.

Under the circumstances we thought it wise to strike out the whole section and leave the matter subject to such

future action as may be deemed expedient in a separate bill.

The bill also provides for a deposit not only in the national banks but in all banks that qualify as national depositories of the taxes collected under the income tax and the excess profits provision of the revenue act. Under the law as it now exists the Secretary of the Treasury is authorized to make deposits in these banks of receipts from the sale of liberty bonds, and this provision simply enlarges that privilege of the Secretary and enables him also to deposit in these banks the receipts from the excess profits and the income tax.

There are at present 4,600 banks throughout the country which have qualified as depositories. The Secretary of the Treasury advises your committee that it is his purpose to try to enlarge the number of qualified banks. He believes that the inducement held out in this provision will cause many other banks to qualify, especially as a very liberal policy will be

adopted in admitting these banks as depositories.

So. Mr. President, the effect will be that not only the receipts from the sale of liberty bonds, but the receipts from the collection of the income and the excess profits taxes will be deposited, in all probability, as soon as collected in these banks scattered throughout the country, so that the money will not immediately be taken out of the banks and transferred to the vaults of the Treasury and to that extent will relieve a situation which might otherwise become acute.

That, together with the fact that large certificates of indebtedness have been purchased to the extent of over a billion dollars throughout the country to be used in the payment of these taxes, will, I think, very greatly relieve a situation which everybody recognizes might under other circumstances be em-It will not altogether relieve it, but it will greatly barrassing.

mitigate it.

Mr. President, I think that is all I desire to say, except I wish to make a brief financial statement showing the necessity of this legislation.

Mr. VARDAMAN. May I ask the Senator a question? Does the bill levy any taxes?

Mr. SIMMONS. No; it does not.

Mr. VARDAMAN. It only provides for the sale of bonds. Mr. SIMMONS. It only provides for the sale of bonds. It is estimated, and this estimate has just been made by the

Treasury Department, that our total receipts for this fiscal year from all sources, including the money derived from the sale of liberty bonds, such as have already been issued and sold upon the market, will amount to \$8,220,000,000, in round numbers. There was in the Treasury June 30, 1917, which amount was transferred, of course, to the credit of 1918, \$1,066,000,000. So our total estimated receipts, together with the cash in the Treasury at the beginning of the year, amounts to \$9,287,000,000.

It is estimated that the disbursements of this year will amount to \$16,116,000,000, in round figures, leaving a deficit at the end of the fiscal year of \$6,829,000,000. Adding \$500,000,000 in order to provide a safety balance in the Treasury, it would make

a deficit of \$7,329,000,000, in round figures.

There are yet unsold savings certificates and liberty bonds already authorized to the amount of \$4,329,000,000. Deducting these authorized but unsold bonds, the deficit will be \$3,000,-000,000; that is, subtracting the authorized bonds not yet sold from the estimated deficit, it will leave \$3,000,000,000 that must be provided in order to meet the current expenses of the fiscal year 1918.

The billion and a half which this bill carries for the allies is not to be loaned to them during this fiscal year. It is to be loaned to them during the months of July, August, and September of the next fiscal year.

Mr. KENYON. May I ask the Senator how much of the \$6,000,000,000 that he speaks of, in round numbers, consists of loans

Mr. SIMMONS. There is \$6,190,000,000 of special disbursements included in the estimated expenditures for 1918.

I think this statement makes it clear that it is of the utmost urgency that this bill should be passed, and passed immediately. Of course, I do not mean to ask Senators not to discuss any phase of the bill they may see fit to discuss, and I shall be glad to answer any questions Senators may ask and to throw all the light that I can upon the matter, but I do wish to appeal to Senators not by unnecessary discussion to delay action upon

Mr. President, I very greatly hope that if this bill is passedin fact, I might say I confidently believe if the bill is passed-it will put the Secretary of the Treasury in a position where he can finance the affairs of this country until Congress meets next December without further revenue legislation at this session

of Congress.

I believe that it is important, if it can be avoided, that we should not at this time have further revenue legislation. Of course, in order that the Secretary of the Treasury may finance the Government until the next Congress, it will be necessary for him to use to a very considerable extent certificates of indebtedness. For that reason it became necessary that this issue should be greatly enlarged, but with this authority to issue these bonds, and with this authority to issue \$4,000,000,000 more of certificates of indebtedness, I believe the Secretary of the Treasury will be able to accomplish this purpose, and that Congress may safely proceed upon the idea that it will not be necessary at this session to enact additional substantive revenue legislation.

If the war shall be greatly prolonged and it becomes necessary for us, instead of a million or a million and a half men, to send 3,000,000 or 4,000,000 men to France, the expenditures of the Government will, of course, be greatly increased. I do not doubt that we shall have sooner or later to increase taxes; how much we shall have to increase them can not now be safely estimated or predicted, but I hope it may not be necessary to do so at this session, and do not believe it will be.

Mr. SMOOT. Mr. President, it is too late this evening for me to have an opportunity of saying what I desire to say upon the pending bill. Therefore I wish simply to say at this time that I believe the bill ought to be passed, and ought to be passed immediately. In fact, there is no other thing for Congress to do than simply to provide for paying the obligations which we have already authorized the Government to incur. I will content myself with that statement, because I can not make any other without taking 10 or 15 minutes of time, and I do not believe I ought to do so.

The PRESIDING OFFICER. Did the Senator from North Carolina ask that the formal reading of the bill be dispensed

with?

Mr. SIMMONS. No; but I will ask that that be done now, Mr. President.

The PRESIDING OFFICER. In the absence of objection, it is so ordered; and the bill will be read for amendment. Secretary will state the first amendment to the bill reported by the Committee on Finance.

The first amendment of the Committee on Finance was, in section 1, page 3, line 19, after the word "upon," to strike out "application" and insert "applications"; so as to read:

"application" and insert "applications"; so as to read:

The bonds herein authorized shall from time to time first be offered at not less than par as a popular loan, under such regulations, prescribed by the Secretary of the Treasury from time to time, as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein, but he may make allotment in full upon applications for smaller amounts of bonds in advance of any date which he may set for the closing of subscriptions and may reject or reduce allotments upon later applications and applications for larger amounts, and may reject or reduce allotments upon applications from incorporated banks and trust companies for their own account and make allotment in full or larger allotments to others, and may establish a graduated scale of allotments, and may from time to time adopt any or all of said methods, should any such action be deemed by him to be in the public interest.

The amendment was agreed to.

The amendment was agreed to.

The next amendment was, in section 3, page 6, line 2, before the words "conversion period," to insert "six months'"; in line 5, after the word "shall," to insert "for the purpose of computing the amount of interest payable"; and in line 9, after the word "presentation," to strike out "and no adjustment of accrued interest shall be made in respect thereof," so as to make the clause read:

If bonds bearing interest at a higher rate than 4 per cent per annum shall be issued before July 1, 1918, then any bonds bearing interest at the rate of 4 per cent per annum which shall, after July 1, 1918, and before the expiration of the six months' conversion period prescribed by the Secretary of the Treasury, be presented for conversion into bonds

bearing interest at such higher rate, shall, for the purpose of computing the amount of interest payable, be deemed to have been converted on the dates for the payment of the semiannual interest on the respective bonds so presented for conversion, last preceding the date of such presentation.

The amendment was agreed to.

The next amendment was, on page 6, after line 17, to strike

SEC. 5. That section 7 of said act approved September 24, 1917, be, and is hereby, amended, by adding two new paragraphs, to read as fol-

and is hereby, amended, by adding two new paragraphs, to read as follows:

"In determining the value of the shares of any national bank, State bank, trust company, or other banking institution, for the purpose of taxation by any State or any of the possessions of the United States or any local taxing authority, there shall be deducted an amount equal to the same proportion of the value of the shares as the par amount of any bonds or other interest-bearing obligations of the United States issued during the present war owned by such bank or trust company or banking institution bears to its gross assets.

"If any part of this section shall for any reason be adjudged by any court of competent jurisdiction to be invalid such judgment shall not affect, impair, or invalidate the remainder of this section, but shall be confined in its operation to the part thereof directly involved in the controversy in which such judgment shall have been rendered."

The amendment was agreed to.

The next amendment was, on page 7, line 11, to change the number of the section from "6" to "5."

The amendment was agreed to.

The next amendment was, on page 8, line 17, to change the number of the section from "7" to "6," and in line 19, before the word "new," to strike out "three" and insert "four," so as to read:

SEC. 6. That said act approved September 24, 1917, is hereby amended by adding four new sections, to read as follows:

The amendment was agreed to.

The next amendment was, on page 9, line 15, after the word "prescribe," to strike out: "The par amount of bonds of any series issued before April 1, 1918, which may be purchased in the 12 months' period beginning April 1, 1918, and in each 12 months' period thereafter, shall not exceed one-twentieth of the amount of bonds of such series outstanding at the beginning of amount or bonds of such series outstanding at the beginning of such 12 months' period. In the case of any series of bonds issued after April 1, 1918, the"; in line 24, before the words "par amount," to insert "The"; in the same line, before the word "such," to insert "any"; on page 10, line 2, after the words "date of," to strike out "such"; in the same line, after the word "issue," to insert "shall not exceed one-twentieth of the par amount of bonds of such series originally issued," so as to make the clause read:

to make the clause read:

SEC, 15. That the Secretary of the Treasury is authorized, from time to time, until the expiration of one year after the termination of the war, to purchase bonds issued under authority of this act, including bonds issued upon conversion of bonds issued under this act or said act approved April 24, 1917, at such prices and upon such terms and conditions as he may prescribe. The par amount of bonds of any such series which may be purchased in the 12 months' period beginning on the date of issue shall not exceed one-twentieth of the par amount of bonds of such series originally issued, and in each 12 months' period thereafter shall not exceed one-twentieth of the amount of the bonds of such series outstanding at the beginning of such 12 months' period. The average cost of the bonds of any series purchased in any such 12 months' period shall not exceed par and accrued interest.

The amendment was agreed to.

The next amendment was, on page 12, line 2, after the word "foreign," to strike out the word "moneys," in quotation marks,

"foreign," to strike out the word." Moneys, in quotation marks, and insert "moneys," so as to read:

The Secretary of the Treasury may designate depositaries in foreign countries, with which may be deposited as he may determine all or any part of the proceeds of any bonds or certificates authorized by this act, payable in foreign money or foreign moneys.

The amendment was agreed to.

The next amendment was, on page 12, after line 2, to insert: SEC. 17. That the short title of this act shall be "Second liberty bond act."

The amendment was agreed to.

The next amendment was, on page 12, after line 4, to insert: SEC. 7. That the act entitled "An act to authorize an issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend credit to foreign governments, and for other purposes," approved April 24, 1917, is hereby amended by adding a new section to read as follows:

"SEC, 9. That the short title of this act shall be 'First liberty bond act."

The amendment was agreed to.
The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADJOURNMENT.

Mr. SIMMONS. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Thursday, April 4, 1918, at 12 o'clock meridian,

HOUSE OF REPRESENTATIVES.

WEDNESDAY, April 3, 1918.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the

following prayer:

We thank Thee, our Father in heaven, that the Stars and Stripes float side by side with the flags of France and Great Britain; and we most earnestly pray that these precious emblems of human rights may lead on to a speedy culmination of the terrible war, that civilization may have the right of way

Bind up the broken hearted, set the captives free, rehabilitate the earth and make glad the waste places that right may vindicate itself, and love, the crown of all humanity, reign supreme forevermore; through Him who came that we might have life, and that we might have it more abundantly.

The Journal of the proceedings of yesterday was read and approved.

ADDITIONAL ASSISTANT SECRETARIES OF WAR.

Mr. DENT. Mr. Speaker, I notice that yesterday I neglected to file with the conference report on the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, the statement of the House conferees provided for in the rule, and I ask leave to file that statement in connection with the conference report.

The SPEAKER. It will be filed nunc pro tunc.

The statement is as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, submit the following written statement explaining the effect of the action agreed on:

The bill, as passed by the House, provided for a salary of \$4,500 for the assistant, second, and third assistant secretaries. The Senate raised the salaries to \$5,000 each. The conferees agreed on a salary of \$5,000 for the assistant secretary, which is his present salary, and \$4,500 each for the two additional secretaries.

S. H. DENT, Jr., W. J. FIELDS, D. R. ANTHONY, Jr., Managers on the part of the House,

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to notify the House of Representatives that the Senate had reconsidered the vote by which it insisted upon its amendments to the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919, and agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon.

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate said bill with the Senate amendments and accompanying papers.

The message also announced that the President had, on April 2, 1019.

2, 1918, approved and signed bills of the following titles:

S. 3401. An act to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy; and

S. 3404. An act to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense punishable by confinement in the penitentiary by the civil authorities, and prohibiting such officer's reappointment.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 10305. An act granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct

a bridge across White River at Forsyth, Mo.; and

H. R. 2617. An act to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

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S. 3714. An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Young, one of its clerks, announced that the Senate had insisted upon its amendments to the bill (H. R. 9504) to amend section 4067 of the Revised Statutes by extending its scope to include women, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. OVERMAN, Mr. FLETCHER, and Mr. NELSON as the conferees on the part of the Senate.

COMMITTEE ELECTIONS.

Mr. KITCHIN. Mr. Speaker, I present the following committee nominations.

The SPEAKER. The Clerk will report the nominations. The Clerk read as follows:

COMMITTEE NOMINATIONS.

I nominate the following gentlemen to be members of the Committee Expenditures in the Department of Commerce:

MICHAEL F. PHELAN, of Massachusetts.

L. D. ROBINSON, of North Carolina.

The SPEAKER. Are there any other nominations? If not, these will be agreed to by the House.

SHIPBUILDING.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, I notice in this morning's Washington Post the following:

ington Post the following:

SHIPYARDS DISAPPOINT—MARCH OUTPUT 30,000 TONS SHORT; HURLEY
SENDS SHARP MESSAGE—"WANT SHIPS, NOT EXCUSES"—WIRES
BUILDERS KEYNOTE OF SITUATION IS LEADERSHIP—"MONEY, MATERIAL,
AND MEN SUPPLIED WITHOUT STINT BY NATION"—DEMANDS SPEEDING
UP IN APRIL—FULL DAY AND NIGHT SHIFT.

American shipbuilders were called upon last night to explain why
their output for March fell behind schedule. Chairman Hurley, of the
Shipping Board, and General Manager Piez, of the Emergency Fleet
Corporation, telegraphed the managements of all the yards in the
United States, saying they were "keenly disappointed in the tonnage
delivered and placing the responsibility for turning out ships squarely
on the men in control of actual building operations.

"Keynote of present situation is management—leadership," the telegram said. "Money, material, and men have been supplied without
stint by the Nation. The American people want ships, not excuses."

In my judgment this article is an admission on the part of

In my judgment this article is an admission on the part of Chairman Hurley and General Manager Piez that the great shipbuilding corporations of this country have fallen down and are failing in their ability to produce shipping in accordance with the Government program of the Government needs. Every daily paper in this country each day is lamenting the fact that our Government can not produce the required amount of shipping at this time of the Nation's greatest need. Now Mr Speaker, what I want to know is this, and I would like to have some member of the administration or the Shipping Board inform me, Why small shipbuilding firms can not get a contract from this Government to build wooden ships when this company is made up of men who know the shipbuilding game, who do not ask this Government to furnsh any money for speculation, do not ask any money to be paid out to furnish a publicity bureau, and they have to-day ways that are lying vacant and can put 300 ship carpenters at work on 24 hours' notice? I want to know why this kind of men can not get contracts to build wooden ships? I know a yard that fills these specifica-tions, and the gentlemen who have that yard have been informed by the Shipping Board within the last few days that the Government has no need for their services.

WISCONSIN.

Mr. LANGLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.
Mr. LANGLEY. May I not ask if the returns do not indicate that Wisconsin is still loyal to the Union notwithstanding the acid test? [Laughter.]

The SPEAKER. The Chair has not seen the returns, and that is not a parliamentary inquiry

Mr. LANGLEY. I thought it might be in war times.

CALENDAR WEDNESDAY.

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the roster of committees.

The Clerk proceeded to call the committees.

LOANS SECURED BY LIBERTY BONDS.

Mr. PHELAN (when the Committee on Banking and Currency was called). Mr. Speaker, I desire to call up the bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

The bill was read, as follows:

Be it enacted, etc., That section 5200 of the Revised Statutes, as amended, be, and the same is hereby, amended to read as follows:

"Sec. 5200. The total liabilities to any association of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such associations, actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund: Provided, however, That (1) the discount of bills of exchange drawn in good faith against actually existing values, (2) the discount of commercial or business paper actually owned by the person negotiating the same, and (3) the purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section, but the total liabilities to any association of any person or of any company, corporation, or firm, upon any note or notes secured by such association, shall not exceed 10 per cent of the capital and surplus of such association, except subject to such rules, regulations, and limitations as may be established from time to time by the Comptroller of the Currency, with the approval of the Secretary of the Treasury."

The SPEAKER. The gentleman from Massachusetts [Mr.

The SPEAKER. The gentleman from Massachusetts [Mr.

PHELAN] has an hour.

Mr. PHELAN. Mr. Speaker, I do not believe this bill will take very long for an explanation. I can perhaps best start by reading a letter from the Secretary of the Treasury which explains the purpose of this bill.

Mr. DYER. Is not that letter in the report?

Mr. PHELAN. It is in the report. It is written to the chairman of the Banking and Currency Committee.
Mr. DYER. Will not the gentleman make a statement?

Mr. PHELAN. I will act on the gentleman's suggestion. The letter is in the report submitted by the committee. The purpose of this bill is to give an opportunity to banks to loan in greater freedom upon liberty bonds. Under the present statute a bank can not loan over 10 per cent of its capital and surplus, except under two specified exceptions, to a single individual, firm, or corporation. That means that if a bank has a capitalization and surplus of \$200,000 it can loan only \$20,000 to any one single individual, firm, company, or corporation. This bill would permit the bank to loan more than that 10 per cent, provided the note given by the individual, firm, or corporation were secured by liberty bonds.

Mr. ANTHONY. Will the gentleman permit? Mr. PHELAN. Yes.

Mr. PHELAN.

Mr. ANTHONY. How much more?

Mr. PHELAN. In this bill the limitation is 10 per cent, but there is left to the discretion of the Comptroller of the Currency, with the approval of the Secretary of the Treasury, the power to exceed this limit. The gentleman will find the answer to his question on page 2 of the bill, at the bottom of the page

Mr. ANTHONY. Then if the Comptroller should see fit, it would mean that the bank could loan all of its assets with liberty bonds as security. Would not that be a very dangerous

innovation?

Mr. PHELAN. It would be impossible to loan all its assets, because a good many of its assets would be in such shape that it could not loan them.

Mr. ANTHONY. In other words, this is a wide-open privilege

given to the Comptroller.

Mr. PHELAN. The bill says that the bank can loan only 10 per cent, except that it may loan more under rules and regula-tions prescribed by the Comptroller of the Currency, subject to the approval of the Secretary of the Treasury. There is no the approval of the Secretary of the Treasury. There is no other limitation in the bill, but the committee think the safe-guards I have mentioned are sufficient. They think it is better to leave it to the discretion of the Comptroller of the Currency, subject to the approval of the Secretary of the Treasury, than to try to fix any other limit in the bill.

Mr. CANNON. Will the gentleman yield?

Mr. PHELAN.

That is to say, they could loan more than 10 Mr. CANNON. per cent, provided the loan is secured by liberty bonds?

Mr. PHELAN. That is it exactly.

If the Secretary of the Treasury approves. Mr. CANNON. Mr. PHELAN. Under rules and regulations of the Comptroller of the Currency, with the approval of the Secretary of the Treasury; yes.

Mr. BUTLER. May I ask the gentleman a question? Mr. PHELAN. Certainly.

Mr. BUTLER. The purposes of this amendment are two, as I understand. First, to encourage the purchase of liberty bonds, and, secondly, to stimulate business and enable people engaged in business to have more money from the banks, induce people to buy more liberty bonds, is it not?

Mr. PHELAN. I think both things are involved. Here is the tuation to-day. The liberty bonds, as we all know, are being situation to-day. put out through the banks. Our ultimate purpose is to get the bonds into the hands of the people. If we are going to do that we ought to give the banks a little wider, and perhaps considerably wider, latitude as to the amount they can loan a single individual. The loans will be secured because they are to be secured by liberty bonds. The banks have found themselves considerably hampered by this old provision.

Mr. BUTLER. The object is a good one; but what confuses me is this: A man or a firm can buy liberty bonds; why can not they buy the bonds and use the money they have

Mr. PHELAN. Suppose I would like to buy \$5,000 worth of bonds. I have not got the \$5,000, but I have got \$2,000. I go to the bank and say, "I am going to subscribe for \$5,000 of bonds if you will put up the other \$3,000." The bank says, "All right." The bank might be unable to do this if I have already reached my limit on loans. Under present conditions the bank has not as wide a latitude as we want it to have.

Mr. BUTLER. In other words, we can borrow money and put up the bonds as security?

Mr. PHELAN. Yes.
Mr. WALDOW. Will the gentleman yield?
Mr. PHELAN. Yes.
Mr. WALDOW. Has not the bank got the privilege now of

loaning the \$3,000 on the \$5,000 purchase?

Mr. PHELAN. Yes; it has; but the bank has o stop, in the case of a particular individual, firm, or corporation, just as soon as the liability for borrowed money by that individual, firm, or corporation amounts to 10 per cent of the bank capital and surplus. To give a concrete illustration, suppose I should borrow of the bank that has a capital and surplus of \$200,000suppose I borrow \$20,000; that is 10 per cent. Suppose I borrow that for business purposes. Then, suppose I want to borrow \$5,000 more in order to carry liberty bonds, Under the present law I could not do it, because the bank is pro-hibited from making the additional loan to me. The amendment is for the purpose of enabling the banks to loan this additional

Mr. WATSON of Pennsylvania. Will the gentleman yield?

Mr. PHELAN.

Mr. WATSON of Pennsylvania. It seems to me there ought to be some limit as to the amount of security. If I borrow \$10,000 of a bank, there ought to be a reserve of 2 or 3 per cent, because under this bill the controller might say you could borrow all of the amount on the bonds, and therefore we would not protect the banker.

Mr. PHELAN. If I understand correctly the gentleman's question, that is not involved in this amendment. It is not a question of how much the banks will loan on a particular

security in comparison to its value.

Mr. WATSON of Pennsylvania. You say it is left to the

comptroller?

Mr. PHELAN. No; that is not left to the comptroller. This is what is left to the comptroller: Under the present law the loan to an individual, firm, or corporation can not be greater than 10 per cent of the capital and surplus. Under this amendment 10 per cent more may be loaned, with liberty bonds as the security. The amount by which it may exceed that is left to the discretion of the comptroller under rules and regulations which he sees fit to make. The question the gentleman puts, as I understand, is this: If I want to borrow \$5,000 of a bank. secured by liberty bonds, how much will the bank loan me on that note? That is not involved in this amendment. That is a matter within the discretion of the bank.

Mr. HAMLIN, Will the gentleman yield?

Mr. HAMLIN.

Mr. PHELAN. Yes.

This exception which you propose to the ex-Mr. HAMLIN. isting law allows of no security except liberty bonds. Suppose I had other property which I might put up, could I exceed the limitation now in the existing law of 10 per cent of the surplus and capital?

Mr. PHELAN. The amendment which we are offering applies only to liberty bonds.

Mr. HAMLIN. That is the point I want to get at; they can not accept any other security for loans that may run over 10. per cent?

Mr. PHELAN. Not under the amendment we are offering. There are certain other exemptions under the present law, but this applies only to notes secured by liberty bonds.

Mr. HARDY. Will the gentleman yield?
Mr. PHELAN. I will.
Mr. HARDY. Am I right in my understanding of the finance corporation bill passed the other day, that it limits the amount of money that might be loaned under that bill to one concern to a certain percentage of the total capital of the finance corporation?

Mr. PHELAN. I understand that is so; yes.

Mr. HARDY. As I remember it, this very question came up in the discussion of that measure and it was contended by some that a limitation ought to be placed on the amount to be loaned on any security tendered and that no more than a certain per cent ought to be loaned on any given security. That contention was refuted by the chairman of the committee [Mr. Glass], who held that as much money as was amply secured might be loaned upon one class of security, but that as to the borrower there would have to be a different principle, so that the finance corporation could loan no more than a certain per cent of its capital to one corporation, company, or individual. I am asking for information, as I understand that the great purpose of the amendment is to facilitate the sale of liberty bonds and to liquefy our credits also. In passing the finance corporation act we thought there might be danger in allowing that corporation to loan without limit to one party. But is there not the same possibility with reference to the banks under this amendment to the banking act that there was explained to be with reference to the finance corporation? At present any great institution that needs more money than 10 per cent of the capital of the bank that it does business with can secure that money by the principal by getting loans to a number of principal obligators and combining together to get the amount. operation is difficult, but the difficulty in practice prevents the abuse of the bank's credit. These liberty bonds are going to be held by some concerns in this country in vast quantities, and if you absolutely take off the limitation and say that there is no limit upon how much may be loaned to one concern with liberty bonds as security, one or two or three big concerns may absorb all of the lending capacity of the banking facilities of the country. Now, as I understand it, the banks are intended to come to the rescue of the industrial world generally, and ought not to be allowed to devote their whole resources to the building up of some favored industry or enterprise, and I fear that this bill will enable the banks to utterly ignore one of the purposes of the banking act, which is to supply the general needs of the business of the country. I would like to hear the gentleman's explanation why this bill will not result in the absorption of the entire banking credits by a favored fewconcerns with vast holdings of liberty bonds that will be held by certain great interests?

Mr. PHELAN. I will say to the gentleman that I anticipate no such difficulty, but first let me say for the sake of accuracy, because I may forget it later, that certificates are also included as well as liberty bonds. I anticipate no trouble such as the gentleman suggests, because corporations or firms can borrow from a dozen or 15 or 25 or 50 different banks, and under the present law there is practically no limitation as to the amount that they may secure in that way. The purpose of this act when it was passed was to prevent any one bank from loaning any one individual or concern too much money, so as not to have too much of its assets tied up with a single individual or a single concern. I think the question that the gentleman raises is not involved, for the reason that I stated, that under the present law, if a corporation wants to borrow and the banks want to lend, there is practically no limit to what the corporation can borrow from the various banks. More than that, I think, we have to leave something to the discretion and good judgment of the banks. I think it is perfectly safe to do it. I think the banking history of this country, in general, in spite of failures, shows that the bank directors and men managing banks know their business. More than that, there is an indication in this bill that this power must be exercised with some caution, because it provides at the beginning that only 10 per cent shall be permitted unless a greater amount is permitted under rules and regulations set forth by the comptroller. The idea of that is that there may come a time when for the purpose of floating our liberty bonds it may be necessary to raise the limit a little higher. The all-important thing now is to be certain that we are going to find a market for our liberty bonds, and in order to be certain of that, as we need to be certain of many other things in this war, we are obliged to place

the discretion in the hands of somebody, and we are placing it in the discretion of the comptroller, subject to the approval of the Secretary of the Treasury. Back of all that, however, is the good judgment acquired by years of training and experience of banking men themselves. They are going to be cautious and careful not to get their funds tied up in any dangerous or perilous way.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. PHELAN. Yes.

Mr. McKENZIE. I think the gentleman has practically explained the point that I had in mind, and that is the provision in the bill giving the Comptroller of the Currency the right to veto certain loans. I assume that the purpose of that is to protect rather than hamper the banks; in other words, to hold a hand of restraint in a way, you might say, over the banks, to prevent them from going too far in making these loans,

Mr. PHELAN. That is my understanding, and I think un-

doubtedly the understanding of the committee.

Mr. MADDEN. Oh, I do not think that is it at all.
Mr. McKENZIE. Just one question along that line. If that true and that is to be the purpose of it, will it not make it difficult to administer this law whenever a bank wants to make a loan greater than 10 per cent, to compel it first to get the consent of the Comptroller of the Currency?

Mr. PHELAN. Oh, I do not think the Comptroller of the Currency is going to do this in each particular case. I did not get the full import of the question of the gentleman from Illi-

nois [Mr. McKenzie].

Mr. MADDEN. No.
Mr. PHELAN. I think he is going to lay down certain general rules, regulations, and limitations. I did not understand the gentleman's purpose.

Mr. Speaker, will the gentleman yield? Mr. SNYDER.

Mr. PHELAN. Yes

Mr. SNYDER. Is it not true that corporations and business men in the country have found that, on account of the higher prices of commodities and the need of much more money than usual in their business, frequently finding their line full on a commercial business, they are unable by reason of that to take on the quantity of liberty bonds that they desire to purchase, and this is absolutely necessary in order to permit business concerns in the country to purchase the amount of liberty bonds they require? Loans instead of being reduced for commercial purposes have had to be increased on account of the increased cost of production.

Mr. PHELAN. I think very likely that is so, and I will say, in addition to what the gentleman says, that I think that with this provision in the law a corporation or concern or an individual will feel safer in taking a larger amount of liberty bonds when he knows that he can go to the bank with this increased power and get some accommodation to tide him over some period when he needs some money. In every way it is going to widen the field for the sale of liberty bonds, and that is the all important thing at the present time.

Mr. SNYDER. I think it is absolutely essential, and I think

a good deal of it has been done already, and if it has been done illegally this will legalize it and make it right.

Mr. BLACK. Will the gent Mr. PHELAN. I will yield. Will the gentleman yield?

Mr. BLACK. Referring to subdivision (2), the discount of commercial or business paper actually owned by the person negotiating the same, I want to ask the gentleman this question: If I understand the present law, if a person, corporation, or partnership goes to a bank and borrows up to its limit and then if it undertakes to take some of its own paper that it has in its own files, for instance, and negotiate that with the bank with a guaranty of indorsement, then such indorsement of the paper is counted as part of its liabilities. Is not that the present

Mr. PHELAN. I will answer the gentleman in this way: The provision of No. 2 to which the gentleman refers is already in existing law. There is no addition with reference to that at all. The only difference comes in 3. What the gentleman refers to is already in existing law.

Mr. BLACK. Is it the present law that after a corporation has borrowed up to its capacity it can take paper of its own and by indorsing that paper expand its limit of credit in that way?

Mr. PHELAN. Yes; if it comes within provision 2 of discounts of commercial paper or business paper actually owned by a corporation. For example, suppose I have reached my limit in amount I borrowed directly or by accommodation. Suppose I have the gentleman's note. I can go and discount that note, which the gentleman made in good faith in a bona fide do not believe there is any danger in putting a limitation in.

transaction, can discount it and get the money for it, whereas as an inderser I am liable to the bank.

Mr. BLACK. And that liability as an indorser under the present law is not counted as part of the loan limit?

Mr. PHELAN. No; it is not, if the inderser is the actual owner acting in good faith.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. PHELAN. I will yield.

I will yield.

Mr. HUDDLESTON. Where liberty bonds are purchased by people who expect to put them away and keep them, no inflation of credits result and no particular harm to prices is done.

Mr. PHELAN. That is true.

Mr. HUDDLESTON. But where they are used as a basis of credit, that has the same effect as an inflation of circulation and causes a further increase in the prices of commodities. This country is suffering, suffering greatly, because of an inflation of prices. The provision brought forward in this bill will aggravate that inflation and increase the suffering. Does not the gentleman think that this feature of the situation

should have very careful consideration?
Mr. PHELAN. Yes; I think all thes Yes; I think all these things ought to have careful consideration from the point of view expressed by the gentleman, although I should not want in an off-hand way to agree to everything the gentleman has said. I agree that the bonds ought to be held by people. I stated here on the floor Saturday that we ought to induce the people of this country by every possible means to save money and buy these bonds, but when we are trying to sell bonds to carry on this war we can not stop to think about whether or not people are saving. No matter what means we take, if they are at all within economic principles, we have got to use these means and sell these bonds.

Mr. HUDDLESTON. The money that we get for these bonds is going to be spent by the Government for supplies to carry on the war. Where by means of expansion of credit we enhance the values of commodities we discount the bonds we sell because we add to the price of what we want to buy with the proceeds to a very large extent what we are getting for the bonds

Mr. PHELAN. I agree that all this war legislation should

have careful consideration.

Mr. HARDY. Will the gentleman yield for a question for in-

Mr. PHELAN. I will. Mr. HARDY. I would like to know if there is any reason why we should take off the bridle, as we do in this bill, as to banks and keep the bridle strictly on as to the War Finance Corporation, which we passed a bill to organize the other day? In other words, in that bill we strictly adhered to a limitation as to the amount the Finance Corporation could advance to one concern, and now we are proposing to take that off. Why should there be a difference?

Mr. PHELAN. In the first place, the analogy is not correct, because the securities are different. The War Finance Corporation, as I understand it, is not going to lend a great deal of money to these banks on liberty bonds, and I do not believe we ought to involve the question of the War Finance Corporation in this at all.

Mr. HARDY. My recollection is a little vague; but as I remember it, somebody proposed in the discussion of the finance bill to take off the limit if the security were to be these bonds, but it was not done.

Mr. PHELAN. That does not come up anyway, because the War Finance Corporation is not going to be used to float the bonds and the banks are, and the people are going to get these bonds from the banks.

Mr. HARDY. What I wanted to get is the reason for this distinction.

Mr. PHELAN. That is the distinction, so far as I see it,

Mr. HASTINGS. Will the gentleman yield? Mr. PHELAN. I will.

Mr. HASTINGS. The gentleman is a member of the Committee on Banking and Currency, and has been a member of it for a number of years, and is in charge of this bill, and has given a great deal of thought to it.

I want to put two questions to him. In the first place, does not the gentleman think that there is some danger in not putting a limit in the bill beyond which the Comptroller of the Currency and the Secretary of the Treasury can not go, and, second, if the gentleman were Comptroller of the Currency, what limit would he fix in rules and regulations beyond which a bank could not go, so that the country generally would have some sort of an idea as to what the rules and regulations pro-

little miles

It is not especially material to me whether a limitation is or is not put in. I think, however, there is no danger. Under No. 1, on the top of page 2, "The discount of bills of exchange drawn in good faith against actual existing values," there has been no limitation for a number of years. Under No. 2, "The discount of commercial or business paper actually owned by the person negotiating the same," there has been absolutely no limitation, and the banks as a general thing, almost as a universal thing, have not become involved. As I said before, we have got to trust the good judgment of the bankers

Mr. HASTINGS. Does the gentleman believe that more than 25 per cent should be loaned on liberty bonds as security?

Mr. PHELAN. I should think that under some conditions more than that might be loaned.

Mr. HASTINGS. Fifty? Mr. PHELAN. Possibly.

Mr. HASTINGS. I am trying to have an answer that will

express the gentleman's judgment.

Mr. PHELAN. My judgment might differ on different occa-At the present time I doubt if it need be put at 50 at all, or even 25, and yet I can see where conditions might arise where it might be expedient to go as high as 50. I do not anticipate that, however. It would depend on the commercial condition of the country and on the need of finding an immediate market for bonds in an emergency. It depends on so many things that I would not want to be bound down to a particular percentage. But, answering the gentleman's question as straight as I can, I do not think there is any danger in the provision as it exists in the bill.

Mr. BACHARACH. Will the gentleman yield?

Mr. PHELAN. I will.

Mr. BACHARACH. I understood you to say as to the discount on commercial or business paper presented by the person owning the same the banks could discount any amount. The banks can not discount beyond 10 per cent of their surplus and undivided profits. I understood you to make that state-

ment some time ago.

Mr. PHELAN. They can discount more than that under the present law, because this is made an exception under this very section of the banking act. I will go to a bank that has a surplus and capital of \$200,000, and I borrow money on my note. If I come along with notes of a corporation or individuals of which I am the actual owner I am not prevented from going to the bank and getting those notes discounted if the transaction is a bona fide transaction. But that I can not get on ac-

commodation in my own name.

Mr. SNYDER. Just one word. In the report I noticed the Secretary of the Treasury says, in his letter to Mr. Glass, referring to the 10 per cent limitation that now exists in

the law:

I am told that there are a good many banks which will, because of this limitation, decline to make loans where their customers desire to subscribe. It also furnishes a convenient excuse for those who do not want to assist in the liberty-loan campaigns.

Now, that shows in itself that banks are willing to go beyond the 10 per cent without any real proposed law giving them the right, and the only difficulty is that some of the banks that want to live closely with the law have used that as an argument and have been fearful of doing it, and prospective subscribers have used it as an excuse to not buy liberty bonds. Is that not what it means?

Mr. PHELAN. It may mean that. Mr. SNYDER. That is a fair interp

That is a fair interpretation to put on it. Mr. PHELAN. It may mean that. It is in the report.

I see other gentlemen rising to ask questions. glad to answer all questions, but I dislike to monopolize the The gentleman from California [Mr. HAYES], the ranking Republican member, I know desires some time, and for that reason, Mr. Speaker, I reserve the rest of my time for the present.

The SPEAKER pro tempore. The gentleman from California [Mr. Hayes] is recognized, and the gentleman from Massachu-

setts reserves the balance of his time.

Mr. HAYES. Mr. Speaker, there has been so much confusion on the floor during the discussion of this matter that I confess

to almost total ignorance as to what has been said.

The bill under consideration, H. R. 10691, is a reenactment of the present law, except as to subdivision 3, on page 2. This subdivision is intended to modify the provision of the present law which limits a bank to loaning in all cases not to exceed 10 per cent of its capital and surplus to one individual, partnership, corporation, or association. The new provision provides that more than 10 per cent may be loaned to each, provided that the note is secured by liberty bonds or certificates of indebtedness of the United States of a face value equal to the amount !

of the note, and provided also that the limit of such loans fixed by the regulations of the Comptroller of the Currency, approved by the Secretary of the Treasury, shall not be passed. The bill provides that from time to time the comptroller, with the approval of the Secretary, may make regulations which, from time

to time, he may change.

Now, under ordinary conditions in the country I should not be in favor of removing in any way the limitation which the present law imposes upon loans by national banks, but under the present war emergency it seems to be very desirable, if we can do anything without endangering the safety of the banks and without unnecessarily limiting their capacity to take care of the commercial interests of the country, to induce the purchase by our citizens of these liberty bonds. It seems to me very much better that the individual should be encouraged to buy the bonds rather than the banks, and individuals would be more inclined to buy the bonds if they knew that if they need money they could get it from the banks upon these bonds. Suppose a large business man has ready money, and knows that later he will need this money, if he knows that on these bonds he can borrow their face in excess of the sum that his bank could now loan him, he could safely buy liberty bonds when otherwise he could not do so. I have money, say, in hand, with which I could buy from \$20,000 to \$50,000 worth of liberty bonds, but I know that later I will need that money, and I could be induced, in many cases, to buy \$50,000 of liberty bonds if I know in case I need the money I can go to my bank and put them up and get the money on my note.

And that is the purpose of this bill. It is its only purpose, namely, to assist the Secretary of the Treasury in finding a market for bonds and to assist the banks and the customers of the banks in handling them themselves if they buy them. Under the conditions as they exist to-day in this country, it seems to me that it is safe and wise to pass this bill. Otherwise I would

not approve it.

Mr. KEARNS. Mr. Speaker, will the gentleman yield? Mr. HAYES. Yes. Mr. KEARNS. Under the present law, a bank capitalized at \$100,000 can not allow any one individual to borrow more than \$10,000?

Mr. HAYES. The present law allows 10 per cent of the capi-

tal and surplus.

Mr. KEARNS. This bill provides, as I understand it, if such a person has borrowed up to the limit, he can borrow another \$10,000 from the same bank, provided he has \$10,000 of bonds to put up as collateral?

Mr. HAYES. Yes; subject to the limitations fixed by the Secretary of the Treasury and the Comptroller of the Cur-

rency.

Mr. SMITH of Michigan. That is what I wanted to know. Mr. HAYES. Mr. Speaker, I reserve the balance of my time. I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD 1.

The SPEAKER pro tempore. The gentleman from Wisconsin

is recognized for 10 minutes.

Mr. STAFFORD. Mr. Speaker, a very important amendment to section 5200 of the Revised Statutes, that this bill seeks to amend, has gone unnoticed in the discussion up to the present time. Under the existing phraseology of section 5200, while a bank is limited to 10 per cent of its capital and undivided profits to loan to any one individual or corporation, with a further exception that bills of exchange, discounted in good faith upon existing value and discount of commercial or business paper actually owned by the person negotiating them, are excepted in the inclusion of that 10 per cent. There is this further limitation in the law to which no reference has been made and which is omitted in the bill under consideration, namely, "the total of such liabilities"—that is, owned by the bank exclusive of these two instances that I have referred to, namely, bills of exchange and discount of commercial paper, which are not included, and which under this bill are excepted also and further extended by not includ-ing the purchase or discount of any note secured by Government bonds or certificates of indebtedness; there is this further limitation, that "the total of such liabilities," referring to the class of loans made by the bank to individuals or corporations exclusive of these two classes that I have referred to "shall in no event exceed 30 per cent of the capital stock of the asso-

There is no objection, so far as I find it, to allowing banks to loan money to individuals and corporations on notes secured by liberty bonds or by Government certificates of indebtedness as provided in this bill, and excepting them and adding them as a third class to the liabilities not to be included in the 10 per cent of the total of the capital stock and the surplus that a bank may loan to any one individual or corporation.

But I want some member of the Committee on Banking and Currency to advance some reason why we should lift the safe-guard of placing the limitation of 30 per cent that a bank may loan other than these three classes named in this bill, namely, discount of bills of exchange, drawn in good faith; discount of commercial or business paper; and third, purchase or discount of any notes secured by not less than a like amount of bonds

and certificates of indebtedness.

Bear in mind, gentlemen, these three classes are going to be excepted from the limitation formerly carried in the law that the bank could loan more than 10 per cent of its capital and surplus. This bill provides a further limitation as to the amount that the bank may advance on loans secured by Government bonds and certificates of indebtedness, that they can not go beyond 10 per cent of its capital and surplus. But remember these three classes that I have stated are excepted from the 10 per cent limitation of loans not of the character included in these three classes.

What I want to know is why the Committee on Banking and Currency lifted this limitation. It has nothing whatever to do with loans that will be made by banks secured by Government bonds and certificates of indebtedness as provided in this bill.

Mr. SHOUSE. Mr. Speaker, will the gentleman yield? Mr. STAFFORD. Yes. Mr. SHOUSE. The gentleman realizes why the 30 per cent is in the present law?

Mr. STAFFORD. I take it that it was for the purpose of

safeguarding the interests of the country.

Mr. SHOUSE. The present law provides for a liability of 10 per cent of capital and 10 per cent of surplus?

Mr. STAFFORD. Yes.

Mr. SHOUSE. With the further proviso that the loans to any individual can be no more than 30 per cent of the capital. That is the present law. The reason for that is that some of the banks in times past have had comparatively small capital and very large surplus.

Mr. STAFFORD. Yes. For instance, the Chase National

Bank, in New York.

Mr. SHOUSE. Therefore the limit of 30 per cent was placed there. The Comptroller of the Currency, however, has assured the Committee on Banking and Currency that the financial conditions have been so adjusted in the banking world that the great differences between capital and surplus that formerly existed do not exist now. For that reason this was done.

Mr. STAFFORD. The gentleman has advanced a reason that

was not advanced before, and it is a good reason for leaving off the limitation of 30 per cent, to which I directed attention. Now, going a step further, for my part I agree with the committee in this provision of putting in the same class as bills of exchange and commercial paper these notes of corporations and individuals which are secured by Government bonds. Many of us know that any number of corporations are reducing their surplus by the purchase of Government bonds, and it is necessary, in order to furnish an inducement to them to purchase more Government bonds, that they may know that in time of stress, when they wish to get money, they can do so with the aid of these Government bonds as security.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield

there for just one minute?

Mr. STAFFORD. I will, Mr. STEVENSON. The limitation on banks buying liberty bonds does not now exist-there is no limitation at all?

Mr. STAFFORD. I understand that there is no limitation at all.

Mr. STEVENSON. A bank can put its entire stock into these bonds? The proposition is here that rather than have the bank put all its capital into them it will have the notes of

good customers secured by the bonds, and it will then have the notes of the customers and the bonds themselves, both?

Mr. STAFFORD. I think it is largely an inducement to business concerns throughout the country to know that if they use their surplus and their reserves in the purchase of bonds they will not be restricted in time of need, when they wish a loan of money, and go to the banks and deposit these bonds as security; that the banks will not be restricted by any 10 per cent limitation of the amount of the capital of the bank and of its surplus.

Mr. SMITH of Michigan. Capital and surplus.
Mr. STAFFORD. I yield back the remainder of my time.
The SPEAKER pro tempore (Mr. Crisp). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time,

Mr. HAYES. Mr. Speaker, there are other gentlemen who want to speak on this.

The SPEAKER pro tempore. No other gentleman addressed the Chair

Mr. HAYES. I ask that the gentleman from Pennsylvania [Mr. GRAHAM] may have five minutes

The SPEAKER pro tempore. Without objection, the vote by which the bill was ordered to be engrossed and read a third time will be vacated, and the gentleman from Pennsylvania will be recognized for five minutes.

There was no objection.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I take the floor more for the purpose of gaining information than of attempting to impart it. This is a question of banking and currency, nevertheless it involves a question of the interpretation of law. The latter comes more clearly within my province than the

I notice that the bill provides for an amendment to section 5200 of the Revised Statutes. When in order to inform myself I turn to section 5200 I find that it reads as follows. It is very short, and if you will pardon me I would like to read it in full:

The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including, in the liabilities of a company or firm, the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in.

I find this change in the present act:

Shall not exceed one-tenth part of the amount of the capital stock of such association actually paid in and one-tenth part of its unimpaired surplus.

That is a new feature.

Mr. SMITH of Michigan. Will the gentleman yield there?

Mr. GRAHAM of Pennsylvania. Not until I finish.

Mr. PHELAN. If the gentleman will read

Mr. GRAHAM of Pennsylvania. I proceed with the reading of the statute:

But the discount of bills of exchange drawn in good faith against actually existing values and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed.

That is the old law.

Mr. PHELAN. Will the gentleman yield for just one moment?

Mr. GRAHAM of Pennsylvania. Will the gentleman pardon me for just a second? Now, when I take up this proposed amendment I find the interpolation of 10 per cent of the unimpaired surplus. Then I find on page 2, in the clause numbered (3), the following:

(3) The purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness of the United States, shall not be considered as mency borrowed within the meaning of this

Then I find a totally new provision attempted to be written into the law governing this question of bank discounts. That is as follows:

But the total liabilities to any association of any person or of any company, corporation, or firm, upon any note or netes secured by such bonds or certificates of indebtedness, purchased or discounted by such association, shall not exceed 10 per cent of the capital and surplus of such association, except subject to such rules, regulations, and limitations as may be established from time to time by the Comptroller of the Currency, with the approval of the Secretary of the Treasury.

Now, that is an entirely new section sought to be written into this law. When section 5200 was passed it had no such pro-vision. The banks were permitted to control and manage their business. No attempt was made to put further control of these banks and their property in the hands of the Comptroller of the Currency and the Secretary of the Treasury. I do not care how good or estimable these men may be, you have no right to put in this bill a clause that will make this question of allowing loans upon these securities a matter of discretion in the hands of these two gentlemen or whoever may be their successors.

Mr. PHELAN. Will the gentleman yield for just one moment?

Mr. GRAHAM of Pennsylvania. Yes. Mr. PHELAN. I call the attention of the gentleman to the fact that he has not read section 5200 as it exists at the present moment. I have it right here in my hand. Possibly he has the old statute passed in 1864.

Mr. GRAHAM of Pennsylvania. I understand that

Mr. GRAHAM of Pennsylvania. I doderstand that.

Mr. PHELAN. But that was amended subsequently.

Mr. GRAHAM of Pennsylvania. Does the gentleman find in
the new section any such control given to the Comptroller of
the Currency and the Secretary of the Treasury?

Mr. PHELAN. No; I was referring to the other part.

Mr. GRAHAM of Pennsylvania. That is the part I am refer-

ring to particularly.

Mr. PHELAN. Yes; but then you made the allegation about one-tenth of the surplus, and that is in the present law.

Mr. GRAHAM of Pennsylvania. I am not objecting to that. Understand, the purpose of this bill meets with my cordial and hearty approval. I will vote for any measure that helps us to dispose of liberty bonds, helps us to raise money to carry on the war, helps us to do our duty; but I am opposed to amendments that put it into the power of any two men to say what these loans shall be. That is what I object to. I am not opposing the bill as a measure to relieve the country or to help the sale of liberty bonds. I am opposing one part only of the bill, because the framers have sought to write into it a provision that does not exist in any law upon the statute books to-day, giving the Comptroller of the Currency and the Secretary of the Treasury the right to say, under regulations, what shall be done and what shall not be done in the matter of these loans.

The SPEAKER pro tempore. The time of the gentleman from

Pennsylvania has expired.

Mr. HAYES. I yield to the gentleman two minutes more. Mr. GRAHAM of Pennsylvania. Some one says that this bill without such a limitation would be a great danger and peril. Is this true? Why, in the old law you left it to the board of directors and managers of your banks when you permitted commercial paper and bona fide drafts to be loaned upon or discounted ad libitum in every direction in their discretion. there any greater peril when you permit them to discount notes on the plighted faith of the United States Government behind its bonds par for par? I ask you as men why insert this clause? Could it be for any other purpose? Is there any ulterior motive in it to give greater control over the banking system of the country? I am opposed to putting a power so great as this in the hands of any two men or in the hands of any three men, whoever they may be—Republicans or Democrats—whatever their politics. It is not business regulation. Directors of banks and stockholders in banks have an interest in preserving their own property as great, if not greater, than that which any set of men could have in regulating this subject.

My friends, what peril is there when you permit a bank to discount its face value of a note backed with the face value of your Government bonds in excess of the 10 per cent allowed for other loans? Can not you leave that safely to the bank officials and let that matter be cared for in the usual routine of business of the banks? That is my objection. I have no objection to the 10 per cent of the surplus being recited, which I referred to. That seems to be reasonable and proper. I have no objection to any other feature of this bill. I am going to offer an amendment to the bill to strike out, in line 10, beginning with the word "but," all the rest of that paragraph.

Mr. PHELAN. I yield 10 minutes to the gentleman from Arkansas [Mr. Wingo].

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I make that

The SPEAKER pro tempore. The unbroken rule of the House is that whoever has the right to the floor and yields time for debate, it is not in order for that Member to whom he yields to offer an amendment.

Mr. GRAHAM of Pennsylvania. Then I address the Chair, The SPEAKER pro tempore. The gentleman from Massachu-setts has the flood and has yielded 10 minutes to the gentleman from Arkansas. The Chair will state to the gentleman from Pennsylvania that, unless the previous question is ordered, the Chair will give him an opportunity to offer his amendment. course, the Chair can not control the gentleman who has the floor if he demands the previous question and the demand is sustained by the House.

Mr. WINGO. Mr. Speaker, I have listened with a great deal of interest, as I always do, to any argument by the gentleman from Pennsylvania [Mr. Graham] involving a question of law. One mistake which the gentleman made was in reading from a statute that has been amended. That disposes of his objection to the "one-tenth of the unimpaired surplus" provision of the bill.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield? Mr. WINGO. Yes.

Mr. GRAHAM of Pennsylvania. I read the old section, because this bill refers to it. I knew the law with reference to the banking system had been changed relating to the surplus, but I read it because the statute is specially referred to in this act.

Mr. WINGO. If that is true, the gentleman should not condemn the committee for bringing it in here; and if his argument is addressed to anything, it was to the maintenance of the limitation.

Mr. SMITH of Michigan. The gentleman from Arkansas ought not to criticize the gentleman from Pennsylvania when the bill itself refers to that very law.

· Mr. WINGO. I do not criticize him, and he ought not to criticize the committee for the provision that is now in the law.

Mr. GRAHAM of Pennsylvania. If the gentleman will permit, I want to make myself clear that I was not quoting the old statute for the purpose of criticism. The revised act, under section 425, has reference to section 5200. Now, your bill simply quotes section 5200.

Mr. WINGO. I am going to cover the two differences. I regret if the gentleman from Pennsylvania thinks I was criticizing him. He got the Revised Statutes when the change had been made, and if you will get the national banking act you will find that the section was amended in 1906 embodying the change the gentleman refers to. Now I will explain briefly the provisions of the present 10 per cent law, because I find that even some bank directors on the floor have not a clear concep-

tion of this 10 per cent provision.

What does the present law provide? It puts a limitation, a general limitation, of 10 per cent on the loaning power; that is, no national bank can loan more than 10 per cent of its capital stock and surplus to any one individual, firm, or corporation, or, in other words, to any one borrower. There is an apparent exception under the present law in two cases. The first is this: Say you have a bank that has a capital stock and surplus of \$100,000. One person or corporation, one borrower could only borrow \$10,000 under the general rule, but that would not preclude any one borrower who had gone to his limit on a direct loan from bringing a draft drawn against actual existing value.

I can give you an illustration on that, that will show you the necessity of that provision. To illustrate, I will take a product that I am familiar with, though, of course, it applies to other products, wheat, corn, oats, and so forth. Take cotton. A man buys so much cotton and puts it on the platform of a railroad. He get his bill of lading and takes it to the bank and draws on his principal for the value of the cotton, and this transaction is not a borrowing one under the 10 per cent limitation. That is an indorsement, that is a drawing of a bill of exchange, that has back of it actual existing value. Under the rule another exception is this: Say a man has borrowed \$10,000 and he finds he needs more funds, and his customers have given him notes well secured. He may take them over to his bank, indorse them, and discount them to his bank. The bank may take them, and he may sell ten thousand worth additional if he wants to, or a hundred thousand dollars, whatever amount the bank is willing to take, and his indorsement, the contingent liability represented by that indorsement, will not fall within the inhibition of the 10 per cent rule. Those are the two exceptions of the general rule of 10 per cent under the existing law. The 10 per cent goes to both the capital stock and the surplus, but the present law puts a limitation of 30 per cent on the capital. That is, the capital stock and the surplus might be such that 10 per cent of the two combined would be more than 30 per cent of the capital alone, and under the present law you can not go beyond 30 per cent of the capital stock.

What do we propose to do by this bill? We leave out the proposition that the gentleman from Wisconsin has suggestedthe 30 per cent provision—and I will be frank and say that I think that ought to be retained. We put in another proposition. that they shall not count under the 10 per cent rule obligations which represent loans that are secured by these liberty bonds, that the limit to which they may go will be controlled by general rules, regulations, and limitations that the Comptroller will make, subject to the approval of the Secretary of the Treasury.

That brings it down to the real criticism of the gentleman from Pennsylvania [Mr. Graham]. I agree with him as to what want done. I agree with him as to the necessity of having a limitation, but I differ from him in his interpretation of what is now being done and the purposes of it. Let us see. leave it to the discretion of the directors to control. The object of this provision is not to allow the whole thing to be left to the control of the comptroller. The present existing law gives the comptroller control in a great many instances that are more important than this.

Mr. HUSTED. Mr. Speaker, will the gentleman yield? Mr. WINGO. Let me finish my statement first. It will be still left to the control of the directors of the bank, but suppose there are improvident directors, who let out all their loanable funds to one borrower, then should there not be some check upon those improvident directors? I think the gentleman from Pennsylvania [Mr. GRAHAM] would agree to that,

Mr. SMITH of Michigan. Not if they were secured by Government bonds.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. GRAHAM of Pennsylvania. In connection with the gentleman's last remark, will be permit me to ask what difference there is between lending on Government bonds and lending on either one of the other two classes? The other two classes of paper are without limit; there is no limit on them. Why should there be a limit upon the subject of borrowing on your own Government bonds?

Mr. WINGO. Of course there is a difference between the securities. But security is not the basis of the 10 per cent limita-

tion.

Under this bill we do not do what the gentleman from Pennsylvania seems to think we do-leave it to the Comptroller of the Currency to determine the amount of loans that each particular bank can make. Instead of doing that we require him to make general rules, regulations, and limitations that will be applicable to every bank under given conditions, which would be a limitation to the action of the board of directors. If it permitted him to say that in no event should they make a loan in excess of 10 per cent unless the comptroller gave his permission in that particular instance, I, of course, would not favor I think these regulations should be general in character, and they should be applicable to every bank, and the question would come up, not, Am I violating the wishes of the comptroller with reference to my particular bank? but the rules and regulations which the comptroller by experience has laid down as applicable to all banks. I think there is a clear distinction between the two, and that instead of our giving power away that the power we have given is not one to be abused but a power to check an abuse in others. I now yield to the gentleman from New York.

Mr. HUSTED. By removal of the 30 per cent limitation, as I understand the bill, you permit unlimited advances in the case of class 1 and class 2, but in the case of class 3, which is an infinitely better security, you would first impose a 10 per cent limitation and then you further provide that the Comptroller of the Currency, with the approval of the Secretary of the Treasury, may further decrease or increase the amount that can be

advanced under item 3.

Now, I would like to know, why do you impose no limitation in the case of class (1) and class (2) and you impose a limitation in the case of class (3), which is a much better security than class (1) or class (2)?

Mr. WINGO. The trouble with the gentleman is that he is in error as to his facts. The present existing law does not put

any limitation upon class 1 or class 2.

Mr. HUSTED. Thirty per cent. Mr. WINGO. The 30 per cent—here I will read into the RECORD, so those who want to study the RECORD can do so, the present statute, section 5200. The present existing law, not what we propose, but the present existing law, which can be found in the revised national bank act:

The total liabilities to any association of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such associations actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WINGO. Can the gentleman give me five minutes more? Mr. PHELAN. Mr. Speaker, how much time have I?

The SPEAKER pro tempore. The gentleman has 22 minutes remaining

Mr. PHELAN. I will yield five minutes to the gentleman.
Mr. HARDY. Will the gentleman yield?
Mr. WINGO. Let me finish reading the statute, and then I will answer the gentleman from New York, and then I will yield to the gentleman:

Provided, however. That the total of such liabilities shall in no event exceed 30 per cent of the capital stock of the association. But the discount of bills of exchange drawn in good faith against actually existing values, and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed.

Now, the gentleman from New York will see that 30 per cent limitation is not upon (1) and (2) under existing law, so we do not make any change as to them by this bill.

Mr. HUSTED. Even assuming that to be true, and it undoubtedly is, why is the preference given to item (1) and item (2) over item (3)? Why are more liberal loans permitted under items (1) and (2) than under (3)?

Mr. WINGO. The gentleman has two erroneous impressions, The same limitation that is put upon the liberty loan proposition is put upon items (1) and (2). But I think if the gentleman will read the bill he will find he is in error. In other will be and propulations to words, the limitation with regard to rules and regulations to be promulgated by the comptroller apply to everything except

the broad general 10 per cent limitation.

Mr. HARDY. Will the gentleman yield?

Mr. WINGO. I will.

Mr. HARDY. The gentleman from New York seems to have the idea that the limitations are made on account of the security

Mr. WINGO. No; I am in error about the last proposition. The gentleman from New York is right.

Mr. HARDY. If I understand it right the limitation is in the banking law at the present time, and the limitations you have proposed in this bill are not made on the ground of security, because the borrower might have securities worth more than the whole bank capital stock, but they are made for other purposes. This is to limit the power to absorb the funds by one borrower,

Mr. WINGO. The gentleman is correct in that.

Mr. PHELAN. I think I understand what the gentleman desires, and I would like to explain-

Mr. WINGO. Go ahead. Mr. PHELAN. I will yield to the gentleman more time.

Mr. WINGO. All right.
Mr. PHELAN. Here is the proposition we must constantly keep in mind. It is not a question simply of security. might have the very best security in the world, but one of the most important elements in connection with security is its liquidity. Now, sections (1) and (2) have to do with commercial transactions. The way it operates is this. If I borrow money from a bank under sections (1) and (2), I am going to get the money out of this very transaction to meet my obligation when it is due. Under (3), if I borrow money to buy bonds. I am not going to get out of the transaction the money to meet my obligation when it is due. It may be if I get too many bonds I am obliged to sell my bonds at an inopportune time. It may be if the bank demands those notes somebody will have to sell liberty bonds at a time when those bonds ought not to be sold, so there is a distinction made between (1) and (2) group and the (3) group. There is a distinction between those two, not on the ground of security but on the ground of liquidity, on account of the method of doing business. If I have not made it clear I would like to explain it further.

Mr. WINGO. Now, Mr. Speaker, that brings us down to the question the gentleman from Texas [Mr. Hardy] brought up a while ago. There is not any distinction in this act and the war-finance bill on the question he raises, because we treat in this case only the question of limitation on amount that may be loaned to each borrower, and the question of security is not

Mr. HARDY. I did not differ with the gentleman. My idea was to support the explanation that this limitation contemplated was not on account of the lack of security but for the convenience of the communities.

Mr. WINGO. It is only for the purpose of preventing one individual or group absorbing all the loaning power of a bank.

Mr. SNYDER. I would like to ask the gentleman a question in reference to the proposed amendment. If the bill is enacted as now drawn and this control is given to the comptroller and Secretary of the Treasury, will it permit them to change the rule with reference to (1) and (2) now? In other words, would they have the power then to change the method of discounting that paper in relation to the 10 per cent that the bank can loan to one individual?

Mr. WINGO. Does the gentleman refer to the amendment proposed by the gentleman from Pennsylvania [Mr. Graham]?

Mr. SNYDER. Yes. Mr. WINGO. As I understand, he cuts out the authority of the Comptroller of the Currency to provide rules, regulations, and limitations.

Mr. SNYDER. I understand that. Mr. WINGQ. In other words, the comptroller would be left without any power at all to check any improvident directors who might want to permit one borrower or group of borrowers to absorb all the capital and even the deposits by their loans.

What I wanted to know was whether it would Mr. SNYDER. change the relation of notes that banks can now discount as referred to here in (1) and (2). Would it make any difference whether this control was put into this bill or not with regard to the discounting of unlimited amounts of that paper?

Mr. WINGO, Not on (1) and (2); not a bit.

Mr. GLASS. It seems to me that the gentleman from Pennsylvania has a total misapprehension of the purpose of this provision of the bill. It is really a limitation. It is a check upon improvident banking. Somebody must determine-some authority-how far a bank may go. In talking about taking the bridle off, if you eliminate this provision from the bill you will indeed have taken the bridle off, and there will be nobody to determine whether a bank is making improvident loans or not under the provisions of the act.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit a

question?

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. ROBBINS. I would like to have a question explained. Mr. PHELAN. Then I yield one minute more to the gentleman from Arkansas.

Mr. ROBBINS. I am not clear on this. Is the limitation of 30 per cent still retained in this bill if enacted in its present shape?

Mr. WINGO. No.
Mr. ROBBINS. It is entirely eliminated?
Mr. WINGO. The 30 per cent provision is not in the bill.

Mr. ROBBINS. There is no limitation?
Mr. WINGO. The limitation of 10 per cent of the capital stock and surplus is retained, but the 30 per cent provision of existing law is repealed by this bill.

Mr. ROBBINS. Then, would it be possible for a borrower, if he had borrowed 10 per cent from the national bank, to bring liberty loans to the bank and borrow all the rest of the capital under this bill?

Mr. WINGO. That would be true if we were to put in the 30 per cent provision, as it is in the present law, as it would not apply to the liberty loan at all, because the 30 per cent provision in the existing law comes after the 10 per cent provision, but be-

fore that provision covering the first and second classes of paper. Mr. ROBBINS. I wanted to know if it was possible for a borrower, after he had borrowed 10 per cent under the existing law, to borrow the entire surplus of the bank remaining.

Mr. WINGO. Unless the Comptroller of the Currency, with the approval of the Secretary of the Treasury, in the rules and regulations would put some limitation upon it. If we adopt the amendment of the gentleman from Pennsylvania [Mr. Graham], it would take the whole bridle off, as the gentleman from Virginia [Mr. Glass] said, and the idea is to adopt some rules and regulations that can put some limitation on the operation.

Mr. BUTLER. Why not leave it to the directors?
Mr. WINGO. Suppose we have improvident directors? The reason for the 10 per cent rule grew out of the fact that we did have some improvident directors.

Mr. HAYES. Mr. Speaker, I yield to the gentleman from

Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker and gentleman of the House, it seems to me we are getting valuable information upon this amendment. Some of the ground already traveled may be

again gone over by myself in a way.

I wish to say that this amendment has to do with the best security of any of the classes mentioned in it. The chairman of the Committee on Banking and Currency says that if the amendment of the gentleman from Pennsylvania is permitted it will take the bridle off and open the door to improvident directors on unlimited loans. Now, the present banking law allows a man to borrow 10 per cent of the capital and surplus of any national bank, and it can cash its customers' paper to an unlimited amount, whether it be commercial paper or bills of ex-change, not exceeding 30 per cent of its capital stock and sur-plus. That same restriction would still be in the law if the amendment of the gentleman from Pennsylvania [Mr. Graham] should prevail. You could not give your note secured by a liberty bond to exceed 30 per cent of the capital of the bank.

Mr. WINGO. I beg the gentleman's pardon. He does not want to make an inaccurate statement. The 30 per cent provision comes in the law now after the general rule of capital stock and surplus, and after that provision comes the provision as to class (1) and (2) and the liberty bond proposition. So if you reinstate the 30 per cent provision as it is now in the

existing law it would not apply to the liberty bond loan at all.

Mr. SMITH of Michigan. I think that this amendment is proper. We should do everything we can to aid in the sale and disposition of these liberty bonds. I incorporate the provision of the present banking law:

LIMITATION OF LIABILITIES WHICH MAY BE INCURRED BY ANY ONE PERSON, COMPANY, ETC.

425. SEC. 5200 [as amended 1906]: The total Habilities to any association, of any person, or of any company, corporation, or firm, for money borrowed, including in the Habilities of a company or firm the Habilities of the several members thereof, shall at no time exceed one-

tenth part of the amount of the capital stock of such associations actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund: Provided, however, That the total of such liabilities shall in no event exceed 30 per cent of the capital stock of the association. But the discount of bills of exchange drawn in good faith against actually existing values and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed.

What I would like to see is an amendment so that anyone wishing to borrow money at a bank and give liberty bonds as security could borrow to the full amount of the bonds, in the discretion of the bank, in the same way and to like extent that the bank can now take commercial paper or buy exchange. These liberty bonds are gilt-edged security, and their value and uses should not be restricted in any way; while if this measure becomes a law-and I quote from the bill-

becomes a law—and I quote from the bill—

(3) The purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section, but the total liabilities to any association of any person or of any company, corporation, or firm, upon any note or notes secured by such bonds or certificates of indebtedness, purchased or discounted by such association, excipt and person of the capital and surplus of such association, except subject to such rules, regulations, and limitations as may be established from time to time by the Comptroller of the Currency, with the approval of the Secretary of the Treasury.

Therefore bonds should at least be yet upon the same footing as

Liberty bonds should at least be put upon the same footing as commercial paper and as bills of exchange. If the amendment of the gentleman from Pennsylvania prevails, it will put them upon the same footing as to commercial paper and as to bills of exchange, without the added proviso that the restriction would be 10 per cent of the capital and surplus of the bank, in the discretion of the Comptroller of the Currency and Secretary of the Treasury. I say that if a bank is perfectly secure when it can loan an unlimited amount upon commercial paper or bill of exchange, it does not take any chances whatever when it loans upon liberty bonds, the security of our Government. We want to sell these liberty bonds for the most righteous cause that ever was maintained, and we do not want these restrictions. I think the banks should be restricted, as the gentleman from Arkansas says, but this is the wrong place to restrict them when we have Government bonds behind a man's paper.

Mr. WINGO. Mr. Speaker, will the gentleman yield for a

question?

Mr. SMITH of Michigan. In a moment. And I say, gentlemen of the House, that we should put no restrictions that are improper upon the bonds of our Government. They are just as good as the Government itself, and when they are not good my property is no good and my personal liberty and security are impaired.

I say that the amendment of the gentleman from Pennsylvania is proper, and I say further that under the banking laws and under the rules and regulations of the Comptroller of the Currency he can tell a bank what it must do, and when one improvident bank is penalized you would not want every bank in the country upon which the business of the country depends held down to the level of that little improvident bank.

Mr. WINGO. Will the gentleman yield for a question there? Mr. STEVENSON rose.

Mr. SMITH of Michigan. Yes. Then I will yield to the gentleman from South Carolina.

Mr. WINGO. I suppose the gentleman agrees that the purpose of this provision is to make it possible to distribute these bonds throughout the country among the people as much as possible?

Mr. SMITH of Michigan. That is what I want, so that we

can go to the people and to the banks.

Mr. WINGO. If you adopt the amendment of the gentleman from Pennsylvania and take the bridle off and have no limitation, then it would be possible for one borrower of the bank, if the bank would permit it, to absorb all the loanable funds, and then when you want to dispose of liberty bonds you can not

Mr. SMITH of Michigan. I do not think our banks are conducted in that way.

Mr. WINGO. But you may find that some are.

Mr. SMITH of Michigan. I can name some where every dollar of the capital stock is in Government bonds already.

Mr. ROBBINS. Some of them fail, too.

Mr. SMITH of Michigan. Not many, under our present Comptroller of the Currency, by the way he looks after them.
The SPEAKER pro tempore. The time of the gentleman from

Michigan has expired.

Mr. HAYES. Mr. Speaker, I yield two minutes to the gentleman from Wyoming [Mr. MONDEEL].

The SPEAKER pro tempore. The gentleman from Wyoming is recognized for two minutes.

Mr. MONDELL. Mr. Speaker, I confess to comparatively little knowledge of banks or the banking business. I depend, to a considerable extent, in matters of this sort on the gentleman from Virginia [Mr. Glass] and the gentleman from California [Mr. HAYES]. I assume that those gentlemen and all the other members of the Committee on Banking and Currency, having agreed that this legislation increasing the credits of the Federal reserve banks may extend on the security of Government bonds, is under present circumstances and conditions helpful or perhaps necessary for the success of the flotation of the third liberty loan, have arrived at that conclusion after careful consideration, and I am therefore constrained to follow them in their It is highly important that this loan be successfully launched and I am anxious to support any legislation that will aid in making it a success.

Now, I want to call the attention of the members of the committee having these matters in charge to this situation, which confronts the stockmen of my section of the country. At the present time there is a limitation on the Federal reserve banks in the acceptance of paper based on live stock to a maturity of six months. I imagine that so far as that relates to certain classes of the live-stock business, as it affects the feeder, the time may be quite long enough. But that is not true in the business as carried on in the western and range sections, where our people are making an earnest effort to increase the production of live stock. Our live-stock paper in the range country largely, in fact, generally, runs for a year. It is largely based on advances on purchases in the spring, while the marketing comes late in the fall or some time during the winter. Our people have found it difficult to secure the accommodation that they need with the present limitation.

I presume the gentleman will not at this time care to express an opinion as to whether an exception might safely be made in the case of paper of this kind, but I do hope that the committee will give careful consideration to the matter, and I trust there is reasonable ground for the hope of making an exception in paper of that sort, so necessary to the growth and success of

the meat-producing industries.

Mr. GLASS. I will suggest to my friend from Wyoming that there is nothing in the law to prevent a renewal of those notes. It can be very easily adjusted in the local banks, I think. If a note matures in six months, I imagine there will be no difficulty in the world in renewing it for six months longer.

Mr. MONDELL. I understand if the paper is one-year paper, it is not available for discount purposes until a sufficient time has elapsed, so that it has six months or less to run before

maturity.

Mr. GLASS. But at maturity it can be renewed for whatever

period the transaction might seem to require.

Mr. MONDELL. That is the difficulty, as our people see it. There might be a renewal, but our people can not afford to take that chance; besides, the stockman is often far from the banks and the banks far from the Federal reserve banks, and there are too many elements of risk to make that procedure safe or satisfactory. I shall present the matter in the form of a bill for the further consideration of the committee.

Mr. GLASS. I think our committee would be glad if the gen-

tleman would.

Mr. MONDELL. It is a matter of vital importance to the range stock-growing country; not only to the stockmen but to those engaged in all branches of agricultural industry. Their returns are annual; their loans must be for the same period. It is true if our banks were larger and could always be certain of their ability to extend credits, if we were not so far removed from reserve centers, and it was always convenient for stockmen to reach the banks and renew their paper, we might get along fairly well on six months' accommodations, but under our conditions the present limitation is most unsatisfactory.

I shall not take the time of the committee longer at this time, but will ask early consideration of a bill I will introduce to extend the loan period on agricultural and live-stock paper

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentle-Mr. HAYES. Mr. Speaker, man from Nebraska [Mr. Sloan].

is recognized for five minutes.

Mr. SLOAN. Mr. Speaker, I had not intended to discuss this bill at this time. But following the suggestion of the gentleman from Wyoming [Mr. Mondell] as to the desirability of extending the time for agricultural paper from a 6 months' limit, as it now stands, to a 12 months' limit, as proposed in a bill which I recently filed in the House, and which is now, as I understand it, pending before the Committee on Banking and Currency, I desire to indorse the statement of the gentleman

from Wyoming relative to the value of such a change to the farmers, cattle owners, and meat producers of the Northwest.
Mr. SMITH of Michigan. Mr. Speaker, will the gentleman

yield?

Mr. SLOAN. Certainly.

Mr. SMITH of Michigan. Is it not true that paper limited to six months does not accommodate agriculturalists, whose crops are annual crops, sufficiently to give them the benefit they

ought to have?

Mr. SLOAN. Yes. In our part of the country nearly everything is measured in terms of 12 months. We have annual crops and the annual turning over of our live stock. chasers and producers having for years been in the habit of dealing with yearly paper instead of monthly, quarterly or semiannual paper, they do not get along, do not figure out so well, with paper limited to six months. Perhaps they ought to change their banking customs and revise their methods. This is difficult to do. Short-term commercial paper is made so because it is based upon the turn-over period of their stock in trade. But it would be a matter of great advantage to the beef producers of the West if this limit could be raised from 6 months to 12 months, because that is the turn-over period of their stock in trade.

I would like to ask the chairman of the Committee on Banking and Currency if such a feature has been considered by the Committee on Banking and Currency since the passage of the Federal reserve banking act, extending the limit of farm paper

from six months to a year?

Mr. GLASS. There has been no formal consideration of that proposition by the committee. The gentleman has his bill before the committee, but we have not yet considered it.

Mr. SLOAN. I filed it only recently, and I wondered whether

the matter had come up before the committee.

Mr. GLASS. It has not. Mr. SLOAN. I was not in any wise suggesting that the committee has been derelict.

Mr. GLASS. We have not considered it, but we shall be very glad to consider it at any time the gentleman desires to be heard.

Mr. SLOAN. I should be glad to have such a hearing before the committee, because one of the large problems of this country, as gentlemen on this floor well know, is the production of meats and grains. The surplus production of meats and grains is quite largely in the Northwest. A large portion of the ments which come to the cities of the East and go across the sea is produced on these large ranches and farms. For their purposes it would be a vast advantage if there was this leeway of 12 months granted when loans are first made. I have talked with ranchmen and farmers as well as bankers, and it is so considered by all of them. It gives both the large producer and banker relief to know that his loan is made and does not have to be renewed in the middle of the turn-over period. I think the chairman of the committee [Mr. Glass] suggested a few moments ago, and properly, that probably six-months' loans could be extended to make them a year from original date, but that is not always true. With a change in the character of the season, a drouth, flood, or crop failure from any cause, the banks may become cramped, and then they must say, can not extend this paper, or if we do extend it we can not do it on the terms that were considered at the time we made the original loan, because confidence at the center is weakened in us, and we either can not renew, or, if we do, conditions we impose must be onerous, because such are imposed on us." would be an advantage and a great source of confidence to the borrower and banker if everything could be figured in terms So that they could rest easy knowing they had a of one year. year ahead of them to make their arrangements to put out their crops, buy their cattle, run them through the grass season, and then feed them in the winter. Their terms of borrowing and the maturing of their investments would then coincide.

Mr. GLASS. I will say to the gentleman that that phase of banking was thoroughly considered and discussed when we had the Federal reserve legislation originally under consideration, and we thought the six months' limitation was wise, in view of all the circumstances, particularly in view of the fact that there is nothing in the act and nothing intended in the act to prevent renewals of notes based on live-stock transactions. It is a matter which can better be determined by the local banks of the various communities than attended to by a general provision in

Mr. SLOAN. But when the law was passed, of course it was considered with strict reference to a condition of peace. it is quite different, when the Government is anxiously insisting that men exert themselves strenuously and strain their credit,

perhaps, in order to increase and sometimes multiply production. It has become a very acute question in our part of the country. Time limit of loans is made five years to corporations and others under the new War Corporation, in order to obtain the services of transportation companies, munition manufacturers. and other institutions rendering a service to the citizens and Nation.

Where is there such urging by the Government to produce as is constantly being made upon farmers and ranchmen to speed up, increase seeding that a greater harvest may result, multiply cattle and sheep that our armies may be fed? Are the producers the only ones to be kept, so far as credits are concerned, in the strait-jackets constructed for conditions of peace?

Quite recently complaint was made that regional banks were refusing to take member paper representing purchase price of tractors on the ground that tractors were not such agricultural articles as were contemplated by the law as a basis for member-bank purchase and rediscount at the regional bank. I took the matter up with the reserve bank officials here at Washington and obtained a statement that tractor paper was and could be used as agricultural paper if it conformed to the time limit. That is proper. Such paper should be permitted to run a year, because the tractor is taking the place of reduced man and horse power incident to the war and is taking up the "white man's burden" to speed up and increase the production of food for ourselves and the allies.

I hope that early hearing and favorable action may be given by the Banking and Currency Committee and after that by Congress on the bill which I have filed.

Mr. KEARNS. Mr. Speaker, a parliamentary inquiry

The SPEAKER pro tempore. The gentleman will state it.

Mr. KEARNS. Is this the proper time to offer amendments to the bill?

The SPEAKER pro tempore. It is not, unless the gentleman has the floor in his own right, in which case it is permissible to offer amendments, but the gentleman from California [Mr. HAYES | has the floor.

Mr. HAYES. I yield five minutes to the gentleman from Ohio [Mr. Emerson]. How much time have I remaining, Mr. Speaker?

The SPEAKER pro tempore. The gentleman has 25 minutes remaining.

Mr. STAFFORD. Will the gentleman from Ohio allow me to propound a parliamentary inquiry to the Chair?

Mr. EMERSON. I yield to the gentleman from Wisconsin for that purpose.

Mr. STAFFORD. When will it be in order to offer amendments to this bill?

The SPEAKER pro tempore. When a measure is being considered in the House any gentleman who has the floor in his own right has the right to offer amendments; but the gentleman from Wisconsin is well aware that under the rules of the House, when time is yielded for the purpose of debate, it is not in order for the person having the floor for debate to offer an amendment.

Mr. STAFFORD. Would it be in order for the gentleman from California [Mr. HAYES] to yield to any gentleman during the time that he has for general debate, for the purpose of offering an amendment?

The SPEAKER pro tempore. It would, but the gentleman from California would then lose the floor. The gentleman from Ohio [Mr. Emerson] is recognized for five minutes.

Mr. EMERSON. Mr. Speaker, one year ago April 6, which is next Saturday, this country declared war against Germany. Never since this country entered into the war has the hour been more crucial than it is at the present time. Our allies are battling to beat back the mighty army of the Kaiser. Our boys are going to the battle front every day. No greater responsibility ever rested upon this country and none will during this war than right now.

Now is our time to strike a blow for liberty, for democracy, and for civilization. Now is our opportunity as never before to strike against autocracy and one-man power. Nothing can do our allies as much good, nothing can encourage them, nothing can show them that we are with them until victory comes, and until peace comes with honor, for we want no other peace, as much as a large oversubscription to the third liberty loan, the campaign for the raising of which opens next Saturday, one year from the day of our entrance into the war. Nothing could give our brave boys who are now over the sea any more encouragement, nothing could give our brave boys who are going over the seas any more encouragement, as the buying of these liberty bonds speedily.

Let us show the world that we are in this war in earnest; that we mean to stay in the war until peace comes with honor, and until victory crowns our efforts.

Washington, Jefferson, and Hamilton call to us out of the past. Lincoln, Grant, Garfield, and McKinley, and all the mighty men of the Nation now dead call out to us to stand firm in this great crisis.

We must deny ourselves if necessary that the soldier and sailor has all the necessities and comforts, and all the guns and ammunition necessary.

Those of us who can not fight can buy liberty bonds and furnish these necessities and comforts and these guns and ammunition.

Let us tell the Kaiser that we are coming with \$50,000,000,000

more of bonds if necessary.

The contest now raging in this world is not one between nations, it is between two great principles-autocracy and democracy; between the government by the few and the government by the many; between bigotry and civilization.

We have taken our stand on the side of right, and we must fight for right with every ounce of energy this Nation has, and never yield to wrong.

What is America's answer to the autocrat of the world? In the words of our fathers we have pledged our lives, our wealth, and our honor to this great cause of world democracy

Our allies are engaged in the greatest battle of this war, and nothing could encourage them any more than a great oversubscription of this third liberty loan,

In this campaign for the third liberty loan the city of Cleveland and the great State of Ohio will not be found wanting. The city of Cleveland oversubscribed her quota in the first and second liberty loans, and she will oversubscribe herself in this third liberty loan. There is no doubt about the patriotism of the people of the city of Cleveland and the great State of Ohio. If the remainder of the cities and States in this Nation do as well as the city of Cleveland and the State of Ohio, this third liberty loan will be one grand success. [Applause.]

Mr. HAYES. I yield five minutes to the gentleman from Ohio [Mr. Kearns.]

Mr. KEARNS. Mr. Speaker, I desire to offer the following amendment

The SPEAKER pro tempore. Does the gentleman from California yield to the gentleman from Ohio for the purpose of offering an amendment?

Mr. HAYES. I do not.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. Kearns] is recognized for debate for five minutes.

Mr. KEARNS. Mr. Speaker, when the proper time comes I

want to offer an amendment to strike out all of the paragraph after the word "association," in line 15, page 2.

This bill was intended for only one purpose. Under the present law any man with the proper security can go to his bank and borrow an amount equal to 10 per cent of the capital stock and surplus of that bank. This bill was intended to allow a borrower, in addition to that amount, to borrow another 10 per cent of the capital stock of the bank and its surplus, provided he has that much represented by liberty bonds to put up as collateral security. Now, that is all that this bill provides, but here is a proviso that I would like to see stricken out of the bill, which provides that the borrower may do this, provided further, he can get the consent of the Comptroller of the Currency and the Secretary of the Treasury. It seems to me we are too prone to pass laws and then to provide that they shall be effective if somebody else says so. The very object of this bill is to allow men to borrow money with which to buy liberty

The Secretary of the Treasury in his letter to the chairman of the committee asks for a law of this kind so that a man can go to his bank and borrow additional money up to 10 per cent provided he has liberty bonds to offer as collateral security. Then why leave the clause in the bill that after we have the law, before we can do what the bill provides, we must get the consent of the Secretary of the Treasury.

Mr. SMITH of Michigan. Why not put liberty bonds on the

same footing as commercial paper where you can borrow to any

Mr. GLASS. The answer to that is that commercial paper a quick asset. It is a liquid asset; when the loan is made it is made with a view of automatically clearing itself.

Mr. KEARNS. Mr. Speaker, in defense of my proposition to strike out this language, I will say that the bank itself can use every dollar of its capital in buying liberty bonds. Why not allow its patrons to buy the bonds in their individual names and offer the bank the same collateral security that it would

have if it bought the bonds itself. Why make the borrower get the consent of the Secretary of the Treasury and Comptroller

of the Currency?

Mr. PHELAN. The gentleman does not understand. The banks can loan to the individual up to 10 per cent of the capital and surplus on liberty bonds, but before any bank can loan more than 10 per cent secured by liberty bonds there will have to be general regulations put out by the Comptroller and Secretary.

Mr. KEARNS. Yes; but if we are going to pass a law why can not we read that proposition into the law itself?

Mr. PHELAN. Read what into the law?

Mr. KEARNS. The very proposition the gentleman makes, if a borrower wants to borrow \$10,000 from any one bank although he is a borrower before to the extent of \$10,000-if he wants to borrow \$10,000 more on liberty bonds as collateral security he can get it.

Mr. PHELAN. Because it is wiser to put some limitation on the amount of the loans that can be made by the bank even

on liberty bonds as security.

Mr. KEARNS. Mr. Speaker, that might be true if this proposition was not true-that any bank in the United States can expend every dollar of its money in the purchase of liberty bonds, title to be taken in its own name. Why not then allow the borrower to buy the bonds in his own name and give the bank that same security by way of collateral that the bank would have if it expended its own money?

Mr. PHELAN. I can explain it to the gentleman, but I do

not want to do it in the gentleman's time.

Mr. KEARNS. I think that my amendment ought to be

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. KEARNS. Yes

Mr. SMITH of Michigan. In reference to the answer of the chairman of the Banking Committee that they do not want the banks to invest in liberty bonds because they are not liquid, I want to say there will never be five minutes on earth that you can not dispose of liberty bonds on the market. There will be a safe market and a man can go in to-day and get every dollar of the bank's capital on commercial paper, so why not

allow him to do it on liberty bonds?

Mr. KEARNS. That is what the bill provides. It provides that anyone who has the collateral security in the shape of liberty bonds can buy up to 10 per cent of the stock and surplus of that bank subject to such rules and regulations as may be established by the Comptroller of the Currency and the Secretary of the Treasury. What is the use of leaving that provision in there? There is absolutely no use, because that same bank could take its own funds up to the extent of its capital and buy liberty bonds. The object is to allow the people of the country to get these bonds, and if you can sell all the bonds to 10,000 different persons you ought not to do so if there are 20,000 who want to purchase them. Place the bonds in as many different hands as you possibly can.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous con-

sent that the gentleman have five minutes more.

The SPEAKER pro tempore. The gentleman from Massachusetts and the gentleman from California have the floor, and the gentleman from Michigan has not the floor to make the request.

Mr. SMITH of Michigan. Can not the time of the gentleman

be extended by unanimous consent?

The SPEAKER pro tempore. The House can do anything by unanimous consent, but the gentleman has not the floor to submit the request.

Mr. HAYES. Mr. Speaker, to save time I will yield five minutes more to the gentleman from Ohio.

Mr. KEARNS. The only thing I hope to do in this bill is to cut out all of the red tape. As it stands, the borrower at the bank would be required to depend on rules and regulations that might be drawn up and adopted under this bill by the Secretary of the Treasury and the Comptroller of the Currency. I want this bill when it is finished, when it becomes a law, to so read that any man can go to the bank who wants to borrow \$10,000, if he has \$10,000 in collateral security represented by liberty bonds, and get the money or any less amount he so chooses. It seems to me to be a senseless procedure to give the banks the right to use every dollar of their funds in the purchase of these bonds in the bank's own name and then say to that bank you can not loan it to individuals on these bonds unless there is a provision made by the Treasury of the United States authorizing you to do the same thing that the banks have

the right to do in their own name. That position can not be defended-

Mr. GLASS rose.

I would like to have the gentleman defend it Mr. KEARNS. in his own time. I do not believe there is any man on the floor of this House who can defend such a position as that, and I would like to appeal to the membership of this House to give this question great consideration, because it is the only important clause in the bill. It is the only new matter in the bill. I would like to impress upon the mind of every man who is going to vote upon this measure, and especially upon this amendment, that one of the great objects in selling these bonds, one of the great arguments that has been used and will be used in the future, is to let the little fellow all over the country buy them. In that way he will feel that he is more interested in being an American than he would be if he held none of the securities of the Government. Get as many men, women, and even children in the United States directly financially interested in their Government as you can and you will do much to engender in them a greater patriotism than even now prevails; they will be doubly patriotic, because they will have an additional financial interest in the outcome of this the greatest war that was ever waged in the history of mankind. I believe there is plenty of patriotism in America to-day. In all my acquaintance I do not know of a man, woman, or child who is not imbued with the idea of patriotism and the hope of winning this war; but I think I know something about human nature also, and I believe that the more people you get directly financially interested in your Government the more you will enhance the spirit of patriotism, the more you will awaken a patriotic thought and action; and if men, women, and children all over this country know that they can go to their bank and borrow money and give as collateral security the bonds they are going to buy with that money, there will be thousands who will seek these bonds who otherwise would not. I want to see this bill, when it leaves this House, so written that no man, however great he may be, can write into it a provision that would stop these men and women from buying these bonds.

I yield back any time that I have.

Mr. HAYES. Mr. Speaker, I yield three minutes to the gen-

tleman from New York [Mr. Rowe].

Mr. ROWE. Mr. Speaker, there is a feature in reference to this bill to which I would like to call the attention of the House, and that is that it will encourage manufacturers and business men living in small places to buy bonds of the United States and to do a much larger and better business with their Nearly every large manufacturer throughout New England, for instance, has to have an account with a business bank in New York or Philadelphia or Boston, because the local banks can not loan him a sufficient amount of money. If that manufacturer could own \$50,000 or \$100,000 of bonds of the United States, then at the season of the year when he has to borrow money he could go to his local bank with his United States bonds and not be limited because the capital of that bank happens to be only \$100,000 or \$150,000. In other words, he would carry all his deposits there instead of being forced to carry deposits in New York, Boston, or Philadelphia, and at the same time be able in his rush season, when he is compelled to buy extensively, to do business with the local bank. not be forced to go to New York or Boston or Philadelphia to borrow his money if he could use as collateral the United States bonds. On the other hand, it would enable him to purchase a larger amount of United States bonds than he otherwise would feel able to take from the capital of his business

Mr. Speaker, will the gentleman yield? Mr. FOCHT.

Mr. ROWE. Yes. Mr. FOCHT. If he is required now to go to New York to get capital to run his business, how do you expect he will get \$50,000 of bonds? He would have to buy and pay for them.

Mr. ROWE. Yes; but the bonds are purchased with surplus, but his borrowing is only once or twice a year, when he is pur-

chasing large quantities of raw materials.

The SPEAKER pro tempore. The time of the gentleman from

New York has expired.

Mr. PHELAN. Mr. Speaker, has the gentleman from California used all the time that he is going to use?

Mr. HAYES. I think so. Mr. PHELAN. Mr. Speaker, I yield two minutes to the gen-

tleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Speaker, I want to address myself to the proposed amendment of the gentleman from Pennsylvania. The gentleman from Michigan [Mr. SMITH] a few moments ago put his finger upon what I consider the weak spot in that amendment, although he used it to sustain the amendment. He

says, and it is true, that the Comptroller of the Currency can control the amount of money that the bank loans in any one way or to any one concern, and that is true, but how does he do it? The bank examiner goes around and he discovers that this bank has loaned a very large amount to one concern, with certain securities. A report is made, and the comptroller says to the bank that it must unload a lot of that-that it is not safe. That occurs, however, after the loan has been made. want the banks to know before they make these loans on United States bonds exactly what they can do, and not have a bank loaning very largely and then the comptroller coming around and saying that it must unload. We want the rules and regulations laid down beforehand, and not leave it to an unknown quantity when the bank comes to make these loans on these bonds, and for that reason that amendment should not be adopted, because otherwise it will enable every bank to know that while it is loaning largely it is loaning under a specific regulation which guarantees it against being required to unload at any particular minute; but if the amendment is adopted, it leaves it all in doubt until after the loan is made.

Mr. PHELAN. Mr. Speaker, I yield two minutes to the gentleman from Virginia [Mr. Glass].

Mr. GLASS. Mr. Speaker, the statement of the case made by my colleague from South Carolina is conclusive. I simply want to refer to the suggested amendment by the gentleman from Pennsylvania. He seems to have the idea that there is some insidious purpose here to give the Comptroller of the Currency and the Secretary of the Treasury power that they do not already possess. As a matter of fact, the Comptroller of the Currency has been an autocrat in the banking community for 50 years. It is necessary that a man in that position should be an autocrat. He has now full control with respect to matters such as are involved in the discussion that has gone on here to-day. The Comptroller of the Currency can permit a bank to exceed this very requirement of 10 per cent in making loans.

It rests absolutely in the discretion of the Comptroller of the Currency to compel a bank to restore its reserve which bears an essential relation to its loans. So that, in principle, there is not one particle of power given to the Comptroller of the Currency by this provision that he does not already possess with respect to loans by banks as affecting their reserves.

Now, furthermore, it has been asked why banks have been permitted to invest in United States bonds without limitation if it is desirable to prescribe this limitaton as to loans based on Government bonds as security. One reason is that, prior to the enactment of the Federal reserve law, United States bonds were used as the basis for national-bank circulation. It was scarcely possible, under that system, for a bank to so clutter itself up with these securities so as to be unable, almost instantly, to realize on them, because of their convertibility into These liberty bonds do not bear the circulation privilege, and while it may not be wise at this time to limit the amount that a bank may buy on its own account, it is desirable to put a limitation, in the way of regulations to be made by the comptroller, upon the amount a bank may loan to any one person, firm, or corporation with Government bonds, having no circulation privilege, as security. We want to exceed the 10 per cent limit, but we do not want to leave the thing wide open. We have got to lodge discretion somewhere against ill-judged and improvident banking. We have to trust some-body to say that a bank shall go so far, but no further, Mr. KEARNS. Will the gentleman yield?

Mr. KEARNS. Will the gentleman yield?
Mr. GLASS. Why, the gentleman from Ohio [Mr. KEARNS], who would not yield to me a while ago, advanced a proposi-tion that would have defeated his own avowed purpose. Under his suggested amendment a bank might loan a single individual every dollar of its available funds for the purchase of liberty bonds so it would not have a dollar left to loan to any other patron of the bank. Thus, instead of diffusing the ownership of those liberty bonds, as the gentleman professed to desire, it would concentrate ownership-

Mr. KEARNS. Will the gentleman yield? Mr. GLASS. No; I can not yield to the gentleman, because have not the time.

The SPEAKER pro tempore. The time of the gentleman has

Mr. PHELAN. Mr. Speaker, how much time have I?

The SPEAKER pro tempore. The gentleman from Massachusetts has 10 minutes and the gentleman from California has 7.

Mr. PHELAN. Will the Speaker notify me after I have used seven minutes? I may not use all of that time. Mr. Speaker, I hope the offered amendment of the gentleman from Pennsylvania will not prevail nor that of the gentleman who

spoke 5 or 10 minutes ago. Let me explain this once again. Under (3), which is the new part added to existing law, and the only part which is added to existing law-under (3) banks may take notes of individuals, firms, and corporations beyond the 10 per cent limit as laid down under the law, provided those notes are secured by liberty bonds or certificates. The limitation, however, is 10 per cent. Banks can only do this to the extent of 10 per cent of their capital and surplus on liberty bonds unless by action of the comptroller and the Secretary of the Treasury. If it is advisable at a later date that this limit be raised beyond 10 per cent, then that may be raised by general rules and regulations of the comptroller, subject to the approval of the Secretary of the Treasury, so that the provision in this bill with reference to the comptroller is not something which bears down on the banks. It is an opportunity for the comptroller, if conditions warrant and necessity arises, to give to the banks even more liberal powers in the way of loaning money upon the security of liberty bonds. I want to repeat, because it was stated otherwise, it is not a limitation placed by the comptroller upon the bank, but an opportunity for the comptroller to give the bank a greater liberty to loan upon the security of liberty bonds. In this connection I just want to point out this thing—I explained it to the gentleman from New York [Mr. Husted]—that even though the security is good, and of course it is good, it is not the only thing to be considered. We have to consider at the same time what is called liquidity. In the case of a commercial transaction the money is coming in from the transaction itself whereby to pay the loans of the borrower, but in the case of liberty bonds a man may be perfectly good, and he may have plenty of property, but he does not get anything, and he is not going to get anything from any commercial transaction when he buys liberty bonds. He may be obliged, in order to meet his note, to dispose of those liberty bonds. It would be disastrous if the banks loaned too much money on these bonds and then had to take them over because, without any question, although the liberty bonds could be sold, the market might be overburdened with those bonds and it would be an unfortunate thing for this country to have that condition arise.

Another thing I want to point out which has been mentioned: It has been asked, if a bank can buy bonds to an unlimited degree, why not permit them to loan on notes secured by liberty bonds to an unlimited degree? My friends, there is a great big difference between those two transactions. Let me see if I can illustrate by analogy. When I go to a bank to borrow money I know just what I am doing, I know exactly what my indebtedness is, but if I indorse somebody else's note I am likely to say and feel secure that he is going to pay that note when due. I am likely not to be as cautious in indorsing somebody else's note when I expect him to pay as I am to borrow on my own account when I know that subsequently I must pay

back the money borrowed.

It is exactly the same way with the bank. When the bank goes out to buy bonds it knows right at the beginning it is going to keep those bonds, that it is a fixed investment; and the bank at the very beginning of the transaction will say, "Can we afford to put so much money into a fixed invest-ment?" But when they loan to others on United States bonds as security they do not intend to carry those bonds permanently; they do not intend to own them; they expect the borrowers to pay, and there is always a greater danger of overextension when the bank loans on bonds than there is when the bank buys bonds itself. In addition to that, they have the power, as stated, to buy bonds. Now, if we give them the power in an unlimited degree to loan on bonds at the same time, we are merely increasing the danger, if there is a danger, of getting too much of their funds tied up in fixed investment. The whole proposition is this, that we must come back to that again and again. Most liabilities of a bank consist of demand deposits. If a bank does not keep its funds in such shape that it can get the cash when it needs it to meet its demands, that bank is going to get into difficulty. The best kind of an investment for a bank under those conditions is to put its money or credit into that kind of security upon which it can realize quickly, and upon which it is sure to realize when the time comes. If it gets too much of its funds invested in securities, even liberty bonds, on which it finds it difficult to realize when the time comes, the bank is going to get into trouble.

The SPEAKER pro tempore. The gentleman has used seven

minutes

Mr. PHELAN. Now, Mr. Speaker, I shall move the previous question on this bill, and pending that motion I ask unanimous consent that amendments may be offered without debate.

The SPEAKER pro tempore. The Chair understands the gentleman to ask unanimous consent to consider the bill under the five-minute rule in the House?

Mr. PHELAN. No, Mr. Speaker. I am doing this after an agreement with the gentleman from California [Mr. HAYES], the ranking Republican member. I desire to move the previous question, and ask unanimous consent that gentlemen may offer amendments without debate.

Mr. HAYES. Will the gentleman modify his request so that there may be a few minutes on a side on each amendment-say

five minutes on a side?

Mr. PHELAN. I do not desire to be arbitrary at all, except that I do not like to take up too much time. I am willing to agree on a vote at 3 o'clock, say, or on any arrangement so that we can get the bill disposed of without too much debate. Every point has been discussed, I think, as fully as it ought to be.

Mr. HAYES. Five minutes on a side?

Mr. PHELAN. Yes.

Mr. WINGO. Let me suggest that the amendments be sent to the desk now, so that we may see how many there are and if we can not reach some agreement as to the debate.

The SPEAKER pro tempore. Under the rules of the House now amendments are in order, unless by unanimous consent—

Mr. PHELAN. I would like to ask how many amendments there are.

Mr. GRAHAM of Pennsylvania. I think there are three. Mr. PHELAN. Mr. Speaker, I ask unanimous consent that the bill be taken up to its final passage, and that 30 minute

Mr. GILLETT. Five minutes a side on each amendment?

Mr. PHELAN. Five minutes a side on each amendment, and

then I shall move the previous question.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent that the gentleman from Pennsylvania [Mr. Graham], the gentleman from Ohio [Mr. KEARNS], and the gentleman from California [Mr. HAYES] each be permitted to offer an amendment to this bill, the amendments to be pending; that there shall be five minutes debate on each amendment, after which time the previous question shall be ordered on the bill and pending amendment or amendments to final passage.

Mr. PHELAN. Mr. Speaker, I meant five minutes for and

five minutes against each amendment.

The SPEAKER pro tempore. Five minutes on each side of the amendment.

Mr. HASTINGS. Reserving the right to object, I suggest the amendments be read first. We may not want to debate them at all.

In that connection, Mr. Speaker, I suggest Mr. GLASS. the amendment to be proposed by the gentleman from California [Mr. Hayes] will not require any debate, because it will be accepted here

Mr. PHELAN. That is one of the three. We can limit the

debate to 20 minutes. I make it 20 minutes.

Mr. HASTINGS. I am going to ask unanimous consent that all those proposed amendments be reported in advance and read for information of the House.

The SPEAKER pro tempore. Is there objection to the amendments being read for the information of the House? The Chair hears none. The gentleman will [After a pause.] send them up, and the Clerk will first report the amendment proposed by the gentleman from California [Mr. Hayes].

The Clerk read as follows:

Amendment offered by Mr. HAYES: Page 2, line 15, after the word such "insert the word "general."

Mr. PHELAN. The committee is ready to accept that right

now, Mr. Speaker.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to. The SPEAKER pro tempore. The Clerk will report the next proposed amendment.

The Clerk read as follows:

Amendment offered by Mr. Graham of Pennsylvania: Page 2, line 14, after the word "exceed" strike out the word "ten" and insert the word "twenty-five"; and on line 15, after the word "association" strike out the comma and insert a period, and strike out the balance of the paragraph.

The SPEAKER pro tempore. The Clerk will report the proposed amendment of the gentleman from Ohio [Mr. Kearns]. The Clerk read as follows:

Amendment offered by Mr. Kearns: Page 2, line 15, following the ord "association" insert a period, and strike out the remainder of word "associa the paragraph.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Phelan] asks unanimous consent that these two l

amendments be considered pending; that there shall be 10 minutes' debate on each amendment, after which time the previous question shall be considered as ordered on the bill and the pending amendments to final passage. Is there objection? [After a pause.] The Chair hears none.

The Chair recognizes the gentleman from Pennsylvania [Mr.

GRAHAM] for five minutes.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask unanimous consent to modify my amendment in one particular, and

that is to strike out "twenty-five" and insert "twenty."

The SPEAKER pro tempore. Without objection, the modification will be accepted. [After a pause.] The Chair hears no

objection, and it is so ordered.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I have listened with great attention to the debate which has been carried on with respect to this bill. I am still of the opinion that the amendment which has been offered ought to prevail and that this power that is proposed to be placed in the Comptroller of the Currency and the Secretary of the Treasury ought not to be put in this bill.

On page 2 of the bill we have three provisos that are exceptions to the 10 per cent rule. The first relates to bills of exchange. The second to commercial paper. The third covers loans on notes secured by liberty bonds of the face value of the loans. There are the three distinct propositions. Under the law as it existed for many, many years the banks had the power to make loans on No. 1 and No. 2 of these provisos without any limitation whatever. The 30 per cent proviso that is written in the national banking act relates only to the 10 per cent loaning capacity to an individual, and not to any of these provisos that are exceptional and in excess of that power. So that these two powers existed in our national banking system with no limit whatever and without hurt or injury therefrom anywhere during all these years. This bill proposes

Mr. GLASS. Mr. Speaker, will the gentleman permit an in-

terruption?

Mr. GRAHAM of Pennsylvania. I can not do it. The gentleman has covered the ground in his speeches, and I understand

his views thoroughly.

This bill proposes, as I read it now, after the enlightenment of the discussion, to limit the borrowing capacity on your note, accompanied by a liberty bond, to 10 per cent of capital and surplus, unless the Comptroller of the Currency and the Secretary of the Treasury adopt some regulation permitting more. My amendment proposes to limit the right to loan to 20 per cent on liberty bonds. That, you see, would make a total power to loan out 30 per cent to one person—16 per cent under the limitation that already exists in the law and 20 per cent additional on a note secured by liberty bonds. That fixes a just limit in the bill; that will take care of the question of excessive loaning.

But it does seem to me that when a bank has the power to invest every dollar of its capital stock and surplus in liberty bonds you ought not to put in a limitation of this kind with respect to making loans. Why? My friend from Virginia [Mr. GLASS] says these bonds are not liquid. This very legislation is going to make them liquid. When you buy the bonds they are not liquid, are they? When you allow a man to borrow on a bond you do not take only the bond. You have his security also; his note, which is liquid, which must be met when it becomes due, and he is the man who must go out and sell his bond, and if there is a discount on it he must lose that discount and pay the money to the bank. The argument that the bond is not liquid is not a sound argument at all in this connection.

If, therefore, as I say, the banking system has existed for all these years without any injury, without any hurt, without any break, with no limit of this kind, why put it on? This is a new feature of the law. You are writing by this statute into the laws of the Nation the grant of a new power.

My friend from Virginia says it already exists. Then, if it already exists, why reenact it? It is a useless waste of effort. But if it does not, I for one will constantly object to the further delegation of our powers to others to exercise for us and in our place. If there is any limit to be put upon this power of loaning, let us, the Congress, put the limit on. That is for Congress, and not for the Comptroller of the Currency or the Secretary of the Treasury, I care not how immaculate or good they may be. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from

Pennsylvania has expired.

Mr. GLASS rose.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia in opposition to the amendment.

Mr. GLASS. Mr. Speaker, it seems to me the fundamental defect in the argument used by the gentleman from Pennsylvania [Mr. Graham] is that he persistently refuses to see or recognize a distinction that is, as I see it, perfectly clear. One reason why there has not heretofore been any such restriction as is proposed here upon the acquirement of liberty bonds in banking loans is the fact, as I stated a while ago, that other United States bonds issued prior to the war had the circulation privilege, so that they constituted a liquid asset, due to their convertibility. No matter what amout a given bank had in its vaults it could at any moment realize on them by impounding them in the Treasury at Washington and receiving therefor circulating notes.

Mr. SMITH of Michigan. Mr. Speaker, will the gentleman

yield there?

Mr. GLASS. No; I have not time to yield.

Now, that is a clear and vital distinction. Liberty bonds have not the circulation privilege, and if banks should clutter up with them to too great an extent on their own account they would have no relief, except by sacrificing the bonds.

Mr. GRAHAM of Pennsylvania. But are they not as good as

commercial paper?

Mr. GLASS. No; they are not as good as commercial paper, because 95 per cent of the transactions of banks are based on commercial paper, which, as a general practice, automatically

clears itself at maturity.

As to the power of the comptroller, of course the gentleman does not understand me to say that the comptroller has this particular power right now. If he had, it would be a waste of time of the House to propose to give to the Secretary of the Treasury and the comptroller a power already possessed. But what I did say, and what I now repeat, is that the Secretary of the Treasury, and the Comptroller of the Currency in par-ticular, has power not only tantamount to the power that we propose to give them here as a limitation upon improvident banking, but they have a greater power than we propose to give them here, and have had for 50 years. This provision is in a sense a limitation. In other words, we remove the restriction of 10 per cent on the right of banks to lean to an individual, firm, or corporation; but the removal of the limitation is made subject to authority given the Comptroller of the Currency, with the approval of the Secretary of the Treasury, to provide general rules and regulations to guard banks against an improvident exercise of the right granted.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Yes. Mr. GLASS.

Mr. MADDEN. The difference between loaning money on liberty bonds and loaning money on 90-day commercial paper is that the liberty bonds run for a period of 30 years before they have to be taken up, while the 90-day commercial paper is liquidated in 90 days.

Mr. GLASS. It automatically liquidates itself, while the

other is a long-time investment security. And, as my colleague from Massachusetts [Mr. PHELAN] has stated to the House, there is a vast difference between the value of collateral and

the nature of collateral.

Mr. GRAHAM of Pennsylvania. But is there not a note for which the bond is security, that matures in 30, 60, or 90 days

or 4 months in every instance?

Mr. GLASS. Yes; but if there is a failure to meet the note, there is no way to enforce collection and get the cash by sale of the security

Mr. GRAHAM of Pennsylvania. The gentleman does not mean to say that a liberty bond is not salable. Heaven forbid! Mr. GLASS. Not always at par. Some of them have sold

Mr. GRAHAM of Pennsylvania. Who loses the difference if it sells below par? Does not the borrower lose it? It is not

the business of the bank.

Mr. GLASS. But the gentleman from Pennsylvania has failed or refused to recognize the difference between practices heretofore, when United States bonds had the circulation privilege, and when it was impossible to embarrass the banks by holding bonds, because they were interchangeable for currency, and conditions now, when there is no convertibility of bonds into currency

Mr. GRAHAM of Pennsylvania. But is not the same thing true of every other kind of collateral that it put up?

The SPEAKER pro tempore. The time of the gentleman has expired. The Chair will recognize the gentleman from Ohio [Mr. Kearns] on his amendment, if he desires.

Mr. GRAHAM of Pennsylvania. I ask for a vote on my

amendment first.

The SPEAKER pro tempore. The Chair understood that both amendments were to be pending, but if it is the desire of the House to have the vote on the amendment of the gentleman from Pennsylvania now, the Chair will put the question on that amendment.

The question being taken, on a division (demanded by Mr. Graham of Pennsylvania) there were—ayes 29, noes 39.

Accordingly the amendment of Mr. Graham of Pennsylvania was rejected.

The SPEAKER pro tempore. The Clerk will report the amendment proposed by the gentleman from Ohio [Mr. Kearns]. The Clerk read as follows:

Amendment offered by Mr. Kearns: Page 2, line 15, after the word association," strike out the remainder of the paragraph.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. Kearns] is recognized for five minutes.

Mr. KEARNS. Mr. Speaker, the vote that has just been taken upon the amendment offered by the gentleman from Pennsylvania [Mr. Graham] disclosed the fact that it was strictly a party vote. My amendment is exactly in harmony with the amendment of the gentleman from Pennsylvania [Mr. GRAHAM], except that he asked to strike out 10 per cent and insert 20 per cent. I hope that when the vote is taken on my amendment it will not again disclose that this center aisle that runs through the Chamber will divide the votes again. In support of my wish and hope in this matter I am going to read just a short sentence from a letter written to the gentleman from Virginia Mr. GLASS] by the Hon. William G. McAdoo, Secretary of the Treasury. He says:

In our successive liberty loan campaigns I have been not inconsiderably embarrassed by the limitation imposed by section 5200 of the national bank act upon the amount of loans which national banks may make to any one borrower. I am told that there are a good many banks which will, because of this limitation, decline to make loans where their customers desire to subscribe. It also furnishes a convenient excuse for those who do not want to assist in the liberty loan campaigns,

And then further on he says:

And then further on he says:

There is no small inconsistency in asking a bank to subscribe for Government obligations for its own account, as it may do without limitation with reference to the amount of its capital and surplus, and at the same time prohibiting it from lending on these same Government securities and taking the obligation of a responsible borrower. The effect of the present limitation may be at some time to make it necessary to ask the banks to buy largely of the Government's bonds for their own account simply because they are prohibited from lending as freely upon the security of the bonds to responsible borrowers who, if loans were available, would be willing to make the subscriptions. It is obviously healthier in every way to induce persons and corporations to subscribe for the bonds though they must borrow freely to pay for them, and thus to place such persons and corporations in a position where they will be under pressure to practice economy in order to pay for them than to have the banks buy the bonds for their own account.

Secretary McAdoo has asked for this legislation, and the only thing I hope to obtain by the adoption of my amendment is that any man who is without funds can go to his own bank and buy liberty bonds and turn those bonds over to the bank as collateral security for the loan. This bill itself provides that this can be done provided the Secretary of the Treasury and the Comptroller of the Currency shall both concur in the view that it ought to be done. Secretary McAdoo has asked for it. Then, why should we write into this law a provision that this can be done if he again says it ought to be done. He has said that in his libertyloan drives over the country, in his attempts to sell liberty bonds, this has been his one great handicap. Then, why not remove that handicap at this time? We are now on the eve of the sale of the third liberty bond issue. As he himself says, if a bank has the right to buy an unlimited number of liberty bonds, there is no reason why the bank should not be allowed to loan the money to let its customers buy them and hold them as security. That is all there is in this bill, and why should it not be done without rules and regulations being first written by these two Let the law itself be the rules and regulations. said a few minutes ago in this Hall it seems to me a very futile thing on the part of this Congress to write a law, pass it by both branches of Congress, and then put in a proviso that it shall become operative provided some other power says it shall.

Mr. WHEELER. Does the gentleman believe that if his amendment is adopted it will encourage the sale of liberty loan

Mr. KEARNS. I believe if this amendment is adopted there will be thousands of additional men and women in this country who will buy liberty bonds. We will find them going to the bank, borrowing this money and giving these bonds as collateral security, who otherwise would not be interested in the proposition because of lack of funds. As I said before, the more men and women and children you can induce in this way to become financially interested in this great war, the better I believe it will be for the country at large. [Applause.] The SPEAKER pro tempore. The time of the gentleman has

expired.

Mr. PHELAN. Mr. Speaker—
The SPEAKER pro tempore. Is the gentleman from Massachusetts opposed to the amendment?
Mr. PHELAN, I am opposed to the amendment.

The SPEAKER pro tempore. The gentleman from Massachu-

setts is recognized for five minutes.

Mr. PHELAN. The gentleman from Ohio [Mr. Kearns] said he hoped the dividing line on this amendment would not run up the center aisle, and that there would not be a party division. I sincerely hope that is so, and I desire to say that during the time I have been a member of the Committee on Banking and Currency it has been a pleasure to work with men who think so little of partisanship, and who so seldom bring partisanship into our deliberations.

Mr. KEARNS. I said that thought was engendered by the

other vote.

other vote.

Mr. PHELAN. I understand; but the Republican members of this committee joined with the Democratic members and brought in this bill by a unanimous report. I want to point out to the gentleman that I think his amendment will defeat the very purpose he seeks, because under his amendment the bill will be left in this shape that an individual can borrow only 10 per cent upon notes secured by liberty bonds, whereas with the words in the bill which he seeks to strike out the opportunity is given, if necessity requires, for the Comptroller of the Currency, subject to the approval of the Secretary of the Treasury, to increase that amount by general rules and regulations.

Mr. KEARNS. But you can not borrow that much unless the

comptroller says so.

Mr. PHELAN. Oh, the gentleman is absolutely incorrect.
Up to 10 per cent the comptroller has nothing to say about it. That is the plain and clear language of the section.

The SPEAKER pro tempore. The question is on the amend-

ment offered by the gentleman from Ohio.

The question being taken, the amendment was rejected.

The SPEAKER pro tempore. Under the previous order of the House the previous question is ordered on the bill to final pas-The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time,

was read the third time, and passed.

On motion of Mr. Phelan, a motion to reconsider the vote whereby the bill was passed was laid on the table.

AGRICULTURAL APPROPRIATION BILL.

Mr. LEVER. Mr. Speaker I ask unanimous consent to proceed for one minute.

The SPEAKER pro tempore. The gentleman from South Carolina asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. LEVER. Mr. Speaker, the conferees yesterday afternoon on the Agricultural appropriation bill (H. R. 9054) found that the clerks of the Senate in fixing the totals had made several mis-It was suggested that the conferees could not, within the rule, correct the totals. The Senate has passed a resolution asking for the withdrawal of the Agricultural appropriation bill, and I am going to ask unanimous consent to vacate the proceedings by which the Agricultural appropriation bill was sent to conference the other day.

The SPEAKER pro tempore. The gentleman from South Carolina asks unanimous consent to vacate the order of the House previously made sending the Agricultural appropriation

bill to conference. Is there objection?

There was no objection.

The SPEAKER pro tempore. Now the gentleman from South Carolina asks unanimous consent for the present consideration of the Senate resolution. Is there objection? There was no objection.

The Clerk read as follows:

IN THE SENATE OF THE UNITED STATES, April 3, 1918.

Resolved, That the Secretary be directed to notify the House of Representatives that the Senate has reconsidered the vote by which it insisted upon its amendments to the bill (H. R. 9054) "making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919," and agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon.

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate said bill, with the Senate amendments and accompanying papers.

Attest:

JAMES M. BAKER, Secretary.

The SPEAKER pro tempore. The question is on agreeing to

The question being taken, the resolution was agreed to.
Mr. LONGWORTH. Will the gentleman from South Carolina allow me to ask him a question? Will he explain what this amendment in the Senate is relating to the grading of potatoes? I have had a number of telegrams about it.

Mr. LEVER. I have also had a number myself. The Bureau of Markets in the Department of Agriculture has established some tentative grades for white potatoes. There are complaints in certain States about the grading, especially in Michigan. The Senate prohibits the Department of Agriculture from establishing or enforcing the grading of potatoes. The House bill said nothing about it.

CONSOLIDATION OF BANKING ASSOCIATIONS.

Mr. WINGO. Mr. Speaker, I call up the bill H. R. 10205 to provide for the consolidation of national banking associations. The Clerk read the bill, as follows:

provide for the consolidation of national banking associations. The Clerk read the bill, as follows:

Be it enacted, etc., That any two or more national banking associations located within the same county, city, town, or village may, with the approval of the Comptroller of the Currency, consolidate into one association on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each association proposing to consolidate, and be ratified and confirmed by the affirmative vote of the shareholders of each such association owning at least two-thirds of its capital stock, at a meeting to be held on the call of the directors after publishing notice of the time, place, and object of the meeting for four consecutive weeks in some newspaper published in the place where the said association is located, and if no newspaper is published in the place, then in a paper published nearest thereto, and after sending such notice to each shareholder of record by registered mail at least 10 days prior to said meeting: Provided, That the capital stock of such consolidated association shall not be less than that required under existing law for the organization of a national bank in the place in which it is located: And provided further, That when such consolidation shall have been effected and approved by the comptroller any shareholder of either of the association is which he is interested within 20 days from the date of the certificate of approval of the comptroller that he dissents from the plan of consolidation as adopted and approved, whereupon he shall be entitled to receive the value of the shares so held by him, to be ascertained by an appraisal made by a committee of three persons, one to be selected by the shareholder, one by the directors, and the third by the two so chosen; and in case the value so fixed shall not be satisfactory to the shareholder he may within five days after being notified of the appraisal appeal to the Comptroller of the Currency, who shall cause a reappraisal

The following committee amendments were read:

The following committee amendments were read:

The amendments recommended by the committee are as follows:
Page 1, line 6, after the word "association," insert the following:
"Under the charter of either existing banks."
Page 2, line 9, after the word "consolidated," insert the following:
"who has not voted for such consolidated," insert the following:
"And all the rights, franchises, and interests of the said national bank so consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national bank into which it is consolidated without any deed or other transfer, and the said consolidated national bank shall hold and enjoy the same and all rights of property, franchises, and interest in the same manner and to the same extent as was held and enjoyed by the national bank so consolidated therewith."

Mr. WINGO. Mr. Speaker, this bill is to simplify the pro-

Mr. WINGO. Mr. Speaker, this bill is to simplify the procedure for consolidation of national banks. Under the present existing law, if two banks in a city desire to consolidate, one or the other has to liquidate under the tedious process now provided

by statute for that purpose

Under the proposed bill the question of consolidation is determined in the same way as is the question of liquidation under the present law. Under the law at present if a bank wants to go into liquidation that would be determined by a vote of twothirds of the stockholders. Under this bill two-thirds might vote for consolidation of the two banks directly without going through the process of liquidation provided by statute. Ample provision is made in the bill to take care of the rights of dissenting stockholders who may not want to belong to the consolidated organization. Appropriate provision is made by the amendment to the last section for the transfer and vesting of rights of the two associations into the consolidated bank.

Mr. McFADDEN. Will the gentleman yield?

Mr. WINGO. Certainly.

Mr. McFADDEN. In the discussion of the bill in committee one question comes to my mind, and that is where banks are consolidated which charter number is to be used. How is that provided for?

Mr. WINGO. The first committee amendment is that they may consolidate under the charter of either of the existing banks. think that would permit them to retain the number of one. That was the idea of the amendment, to permit them to go on in the name of one and under the charter of one, and if they wished to change the name they could do it under the same charter and under the same number.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. WINGO. I will.

Mr. MOORE of Pennsylvania. Is it possible that the revenues would be affected by the passage of this bill, affording, as it does an opportunity for banks to consolidate?

Mr. WINGO. Affected in what way?

Mr. MOORE of Pennsylvania. Would it reduce Government revenues or taxes in any way?

Mr. WINGO. I can not off-hand think of any way in which it could be affected.

Mr. MOORE of Pennsylvania. Would it mean a reduction of

capital or surplus affecting Government revenues?

Mr. WINGO. No; this provides for a consolidation under the charter of either bank. If they wish to reduce the capital, they could do it under existing law, or if they wished to increase the capital stock they could do so under existing law. It does not change the provisions of existing law with reference to the reduction or the increase of capital stock.

Mr. MOORE of Pennsylvania. I am asking this as a member of the committee having something to do with taxation. Would it have any bearing on the Government taxes upon excess

profits or surplus or the division thereof?

Mr. WINGO. No; I should think not, because the rights of the Government would accrue under the facts as they exist prior to the consolidation, and if they consolidated the assets of the combined association would be the same as the assets of the two separate associations, and the tax would be determined upon the new association and the profits made after the consolidation. So I do not see how it could affect the war-profits provision of the present law.

Mr. MOORE of Pennsylvania. The gentleman confirms the statement set out in the report that the object of the bill is only to simplify the consolidation of any two banks that desire

to consolidate?

Mr. WINGO. Yes. The bill was offered at the request of the Trensury Department, where their attention had been called to the necessity for it frequently.

called to the necessity for it frequently.

Mr. MOORE of Pennsylvania. May I ask if any particular illustrations were brought to the attention of the committee showing how banks might avail themselves of this privilege?

Mr. WINGO. No; there was no particular case called to our attention. The gentleman will notice that we limit it to the same county, town or village. There was no particular case of any two particular banks in the mind of the committee at all.

I reserve the remainder of my time.

Mr. HAYES. Mr. Speaker, I have given some thought to this bill and I can see no possible objection to it. It seems to me a very desirable thing to do, not only to permit banks to consolidate, but to encourage them to consolidate. It is very much better for any community to have one or two or three substantial banks, with ample capital to take care of the interests of the community, than it is to have five or six small ones competing for the same business, with less capacity to take care of their customers. Banking business by that sort of competition is often greatly overdone. Too many banks start in a community, and when men who are in charge of such institutions find there are too many, I can seen no possible objection or danger in permitting them to consolidate to such extent as they desire, because I believe they can better take care of the commercial interests of the community through consolidation than when they are divided, and when they so consolidate this should be accomplished without unnecessary expense. Much of the expense attending consolidation of banks heretofore this bill, if it becomes a law, will eliminate. I am heartily in favor of the bill.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield me

10 minutes?

Mr. HAYES. Yes; I yield the gentleman from Wisconsin 10 minutes.

Mr. STAFFORD. Mr. Speaker, if this bill were to be considered under the five-minute rule I would not take the floor, but I take the floor in order to obtain the opinion of the gentleman having the bill in charge as to whether there is any provision made in this bill after consolidation takes place to protect litigants in suits against a bank that is being merged, in the collection of their judgments. In section 2 it is provided that all of the rights, franchises, and interests of the said national banks so consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national bank with which it is consolidated without any deed or other transfer. There is no mention whatsoever to take care of a condition which might arise where suits are pending either in law or in equity against the bank that is going to be merged, in so far as the collection of judgments that may ultimately be entered against the bank that is going into what is virtually a liquidation, is concerned. Does not the gentleman believe

some such amendment should be adopted for this reason. If you transfer all of the assets of the sued bank to the third party bank, where is there going to be any relief for the litigant in the recovery of his judgment. Of course, if he has a judgment, and the judgment has been entered, it is a lien upon the real estate of the merged bank, and it rests with the judgment holder to levy execution on the personal property of the bank. I am now assuming a case where the bank that is being sued in court, and ultimately a judgment recovered against it after the bank has merged its property under the provisions of the bill in a third party bank. How is that litigant going to recover his judgment. I yield to some distinguished lawyer on the Committee on Banking and Currency.

Mr. STEVENSON. Mr. Spenker, if the gentleman would have my personal opinion about that, it is this: The consolidation will be under one or the other of the charters. The bank will continue the corporate existence of one or the other of the two consolidating banks. If the liability is the liability of the bank whose name is retained and whose corporate existence is retained, then there is certainly no question but that it is responsible for any liability of the bank as it existed before it took

on the new bank.

Mr. STAFFORD. There is no question about that in that case. Mr. STEVENSON. The gentleman will notice that there is no provision made for transfer of real estate. That is to be done by deeds. The assets of the bank that loses its existence are to be transferred to the two banks in trust, of course, for all liabilities of the bank which is being merged and consolidated.

Mr. STAFFORD. Oh, no; I take issue there that it is a transfer in trust. Under the provisions of section 2 it is a transfer absolutely, first, upon the board of directions approving the merger; second, confirmed by a vote of two-thirds of the stockholders of the bank; and, third, that action being approved by the Comptroller of the Currency. When that action takes place, then the assets of the party bank immediately go over to the bank that is to continue in business.

Mr. STEVENSON. They are, however, made by law liable. The assets of each bank are made by law liable to the liabilities of the bank, and they can not be transferred without covering

at liability.

Mr. STAFFORD. Where is there any warrant to say that before judgment is entered against a bank that its assets are

subject to a liability?

Mr. STEVENSON. I do not say that, but they are made specifically liable to all debts of the corporation. I agree with the gentleman that it may be better to insert a provision there—I am not talking for the committee now—specifically making the new corporation, when it takes over the assets, liable for all the liabilities of both. I think that would be an amendment which would be beneficial.

Mr. WINGO. I will state to the gentleman very frankly that since the gentleman made his objection I have been turning it over in my mind, and I am satisfied that the consolidated institution is liable for the debts of each bank, but I will state this much, that if there is any doubt in the minds of anyone I see no objection to a reasonable provision being put in here that would make it beyond any question. Of course, there is no desire on the part—

Mr. STAFFORD. Does not the gentleman believe as wholly in harmony with the idea of the bill that this bank that takes over the assets should be privileged to be substituted in court

as the party to any action?

Mr. WINGO. There is not the slightest doubt in my mind that it can come in and ask to be made a party, and have a right to insist upon being made a party.

Mr. STAFFORD. I think there ought to be some specific

amendment providing for that-

Mr. WINGO. But let me offer this suggestion to the gentleman: The rules of law with reference to the things are clear and well settled, and if we undertake to amend the rule of law now governing mercers, we do a dangerous thing

law now governing mergers, we do a dangerous thing.

Mr. STAFFORD. Here are the assets of a bank that have been transferred absolutely over to the other bank by action of the board of directors and two-thirds of the majority of the stockholders. You also provide for any dissenting stockholder who does not approve of that merger within 30 days to submit his claim for the value of his shares, and have that amount determined through the procedure suggested here in the hill.

determined through the procedure suggested here in the bill. The whole idea of this bill is to allow the bank being merged to transfer all its assets over to another bank. Now, take a suppositious case, where a suit is pending against the bank that seeks to wind up its affairs by merger. The suit is prolonged a long time—an important suit involving hundreds of thousands of dollars. A long time after all the stockholders of the old bank have obtained stock in the new bank, and those

who did not wish to accept stock in the new bank have sold their rights out, a judgment is entered. Where then can this judgment creditor seek relief? Only against the stockholders. Well, the stockholders who have obtained stock in the new bank could have no real grievance, but the stockholder who has sold out his right based upon the stock in the merged bank would have a grievance if he would be obliged to pay that judgment. I think there should be and ought to be some provision here whereby the bank that accepts all the assets should be also subject to the liabilities of the old bank.

Mr. WINGO. Let me make the suggestion to the gentleman There is a clear difference in those two transacright there. tions-first, the purchase of one bank's assets by another for a specific consideration paid and the absorption of the assets of another upon consolidation. In the first instance now, where there was a purchase for value and the value paid, there is no question but the purchasing bank would take the assets free of the judgment lien afterwards created; but in the first case there is a sale for value which passes and is paid. In the consolidation case the only consideration is the implied liability for the debts of the consolidated concern, the concern

that is taken into consolidation. What other consideration is

Mr. STAFFORD. Now, in this merger, as I understand it, the bank that is to continue in business purchases virtually all the property and rights of the old bank and pays for it in its own capital stock and gets full title to the assets. But suppose a suit is pending against the old bank? It runs along a number of years. There will be no assets of the old bank to pay the The only way to have it paid would be against the judgment. stockholders.

There are one or two minor matters to which I wish to call attention of the gentleman who has charge of the bill. I as-

Mr. STEVENSON. I would like to say to the gentleman, if he will permit before going away from that, that I agree that the matter could be made plainer. Why not add this section as a new section, as follows:

SEC. 3. The association into which said associations are consolidated shall be liable for the contracts of the consolidating associations and can be sued thereon.

I have an amendment which I have pre-Mr. STAFFORD. pared which is virtually the same.

The SPEAKER pro tempore. The time of the gentleman from

Wisconsin has expired. Mr. STAFFORD. Mr. Speaker, I would like to have five

I yield to the gentleman five minutes more.

Mr. STAFFORD. I wish to make inquiry concerning some minor matters. I ask the attention of the gentleman having the I suppose that the two-thirds of the sharebill in charge. holders for ratification as provided in section 1 refers to twothirds of the outstanding capital stock, not the capital stock as represented by the authorization?

Mr. WINGO. It simply means the outstanding stock. There could not be any shareholders except those holding outstanding

stock.

Mr. STAFFORD. It says shareholders of two-thirds of the

capital stock. Mr. WINGO. That means outstanding.

Mr. STAFFORD. There are banks which nave treasury stock, and on that there will be no question. It says sharecapital of \$300,000 and there was but \$200,000 issued, all the shareholding of the two-thirds of the capital stock would be \$200,000, but, of course, the intent of the committee is two-thirds of the capital stock outstanding.

There is one other matter of minor consequence, as to the

time in which you require the dissenting stock shareholder who does not wish to join this merger to take exception, limited to 20

days. It says:

That when such consolidation shall have been effected and approved by the comptroller any shareholder of either of the associations so con-solidated may give notice to the directors of the association in which he is interested within 20 days.

And then there is another time limit of 30 days, where the stock is to be sold by public auction. I thought that perhaps that 20 days was a little too short a time for the dissenting shareholder to express his determination to accept stock in the new corporation or to have his stock purchased by the bank.

Mr. WINGO. Twenty days is three weeks, approximately. Do you not think that a man ought to make up his mind in seven weeks' time?

Mr. STAFFORD. There may be some of these shareholders distant from the situs of the bank, and who probably would not get notice of the action.

Mr. WINGO. He has got to have at least 10 days. stockholder gets a notice by registered mail 10 days prior to the meeting, under the bill. The gentleman, I think, has forgotten that provision.

Mr. STAFFORD. He has 10 days' notice, but he does not receive under this bill any notice as to what action the share-

holders take upon the consolidation.

Yes. He has a right to be at the meeting. Mr. STAFFORD. He has a right to be at the meeting, but there is nothing here which provides for him to receive notice

as to what action the shareholders take at this meeting. Mr. WINGO. He is supposed to be there, and if he has not enough interest to be there in person or send a representative or make inquiry of somebody that was there, do you not think that he ought to be able to find out in 20 days what was done?

Mr. STAFFORD. I can imagine a case where the shareholder was living at a distance, and where he would not receive

notice in two weeks after the merger had been voted. One further question and then I am through, and that is whether the gentleman does not think if this stock of the dis-

senting stockholder is to be sold at public auction it should not be sold under regulations to be prescribed by the Comptroller of the Currency?

Mr. WINGO. Why, no; I do not. It is a public sale. A legal sale at public auction is pretty clearly understood. And I think it is better to provide for public sale. It has a clear,

definite meaning.

Mr. STAFFORD. One other question. In the case of this dissenting stockholder the value as ascertained is to be deemed a debt due, and later to be forthwith paid to the shareholder of Which bank?

Mr. WINGO. The bank that is consolidated; the bank that gets the assets.

Mr. STAFFORD. That was the question, whether it was the merged bank or the consolidated bank.

Mr. WINGO. It is the bank that is consolidated. would be but one bank then. He would get it from the bank that had the assets.

Mr. STAFFORD. I yield back the balance of my time.

Mr. HAYES. Mr. Speaker, I yield 10 minutes to the gentleman from Connecticut [Mr. Tilson].

Mr. TILSON. Mr. Speaker, I ask unanimous consent to proceed on a subject not exactly in line with the bill now being considered before the House.

The SPEAKER pro tempore. The gentleman from Connecticut asks leave to proceed, not confining his remarks to the subject matter now under consideration. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, as we all know, the great struggle that is now raging in northern France, and has been raging for now 14 days, has come to a temporary standstill. The line at the present time can be accurately located on the map. As no one knows how soon that line may be moved in either direction, and as we all feel an intense interest in the direction in which it may be moved, it occurred to me that it would be of interest and perhaps helpful to the membership of the House if I brought before you a map which very clearly indicates the present location of the western front in Picardy.

The map before you is on a scale of 3.95 miles to the inch, or approximately 4 miles to the inch. You can compute the distances approximated by multiplying each inch on the map by 4, which will give you the number of miles. A faint red line running down here [indicating] is the line that was held in

July, 1916.

Mr. MADDEN. Held by whem? Mr. TILSON. By both sides. It was the western front. Of course, if reduced to a mathematical line it should run through the middle of "no man's land." It represents the line as held before the great retreat of the Germans. This represents the line to which they retreated, the great Hindenberg line. It is represented in red across the map. This is Cambrai. This is Arras. This is Amiens. Here is the railroad running from the channel ports through Amiens down to Paris, and, unfortunately, it is not more than 5 miles from the present battle

This blue line represents the first week's advance of the Germans. That was last Thursday. The yellow line, showing a little gain here at Ayette, south of Arras, and a considerable gain here south of the Somme all the way to this point five or six miles west of Montdidier, indicates the gain of last Friday. You will note that at that time there was this deep salient thrust eastward on a line drawn roughly through Marcelcave, Caix, Warvillers, and Bouillancourt, which left two salients, one on either side, thrusting westward, creating two dangerous places to be attacked. It therefore appeared probable that if the Germans did not attempt to flatten the central salient, the allies would attempt to flatten the other two. So the next day the Germans proceeded to make their drive toward Demuin, Mezieres, and La Neuville, and flattened this salient out to the yellow line.

Since last Friday all the material gains that have been made and they were made for the most part on the following day, on Saturday-have been in the region north and west of Montdidier. The farthest western thrust, which we all hope is the high tide of German military success, may be indicated roughly by a line drawn through Demuin, Moreuil, Mailly, Grivesnes, Cantigny, and Mesnilx. Since that time there have been a number of local successes where the line has shifted somewhat, sometimes one way and sometimes the other, but not enough to vary the line substantially.

The blue on the map is water, this being the Somme River, which winds around here and meanders toward Amiens. This, which the Germans used for a left flank protection on their advance, is the river Oise and the valley of the Oise, which

makes a very strong position for them. Looking at it geographically, this, the Oise Valley, would seem to be the place to counterattack the German line, but by looking at a map of this kind, which gives not only the geography but the topography and the terrain, you can see that it would be an extremely difficult line to attack, and thus far it has not been attacked. The only stiff fighting that has been going on in the last day or two has been in this region around Mont-

I do not attempt to explain the battle itself, but simply the map and the location of the line. Have gentlemen any questions to ask?

Mr. COX. How far is that retreat-the longest distance across there

Mr. TILSON. You can measure it with your hand, figuring miles to the inch. That is something like 9 inches, or 35 miles at the farthest point.

Mr. COX. Does the gentleman know how many square miles of territory the Germans have captured there? Does he know how much it will aggregate?

Mr. TILSON. No. It is divided up into 2-inch squares; and, of course, each one of those is nearly 8 miles on the side. would make approximately 64 square miles to each 2-inch

Mr. MADDEN. If it is 35 miles wide and 8 miles long, it would be 280 square miles.

Mr. ROBBINS. How far is the advanced point from Paris now?

Mr. TILSON. The distance from Paris, as I recall, is fiftyodd miles.

Mr. SNYDER. Fifty-seven miles. Mr. TILSON. Yes; about that.

Mr. COX. Where are our allies' lines now with reference to where they were when they settled down to trench warfare after the famous retreat of 1914?

Mr. TILSON. This faint red line running down through the map there shows that line.

Mr. COX. So that they are west of the line?

Mr. TILSON. They are west of the line all the way from a point about 12 miles north of Albert down to a point about 3 miles west of Lassigny.

Mr. COX. They are 12 miles west of the line of 1914?

Mr. TILSON. Yes.

Mr. COX. The question I put was, Where are the armies fighting now with reference to where they finally settled down after the rush of 1914?

Mr. TILSON. After the Battle of the Marne was over they settled down to this line. Of course, they overran a lot of this country before the Marne.

Mr. COX. Then they are west of the line of 1914?

Mr. TILSON. Yes; but not west of the farthest point which the Germans reached. They are west of the line to which they retreated in 1914.

Mr. MILLER of Minnesota. If the gentleman will permit, in 1914 the farthest west the German patrols reached was in the vicinity of where they are now.

I wanted to ask the gentleman from Connecticut the distance from Montdidier to Paris. Assuming that Montdidier is the farthest west, it is about the nearest point to Paris, is it not?

Mr. TILSON. I think it is something over 50 miles. Mr. MILLER of Minnesota. I think the gentleman will find it is very much less than 50 miles.

Mr. COX. What is the character of the ground there? Is it mountainous or flat?

Mr. TILSON. It is rather flat, according to this map. There are no elevations indicated in this region of over 100 meters.

Mr. MILLER of Minnesota. I passed over there a number of times. The advance that the Germans made was over a hilly country. The Hindenberg line is in a rough, hilly, semimountainous country in a region perfectly desolated; villages absolutely destroyed. And when you read an account of this and that and the other village being occupied by the Germans you know they have occupied a point where the village once was,

Mr. COX. So that where they are fighting now is level land.

practically.

Mr. MILLER of Minnesota. Yes. East of Amiens it strikes a country that is as nearly level as any in France, a country that has been under excellent cultivation during the past year, one that has not been touched by the ravages of war, and which contains the finest roads in the world; and it must be admitted

that the Germans have made a very distinct advance.

The SPEAKER pro tempore. The time of the gentleman from Connecticut has expired. The Clerk will report the

amendment.

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentle-man from Pennsylvania [Mr. Craco]. The SPEAKER pro tempore. The gentleman from Pennsyl-

vania is recognized for five minutes.

Mr. CRAGO. Mr. Speaker, in the Sixty-second, Sixty-fourth, and in the Sixty-fifth Congresses I introduced a bill for the purpose of requiring receivers for insolvent national banks to file accounts in the district courts of the United States. I have never been able to find any reason why the Committee on Banking and Currency should not give consideration to a measure of this kind. I would offer it at this time as an amendment to one of the pending bills, but I am frank to say that I do not believe it is entirely germane.

But I want to make this statement in the way of bringing this matter, which I think has been overlooked by the honorable committee, to the attention of the House. If any Members here ever lived in a district where they have gone through the agony of taking care of an insolvent national bank, such Members will realize what those people have gone through. It may not be known, but the stockholders, the innocent stockholders of an insolvent national bank, are required to pay into the receiver of a national bank when it is declared insolvent and a receiver is appointed the par value of their stock. That man or that woman never knows from the time they make that payment what has become of their money. In other words, there is no public record accessible to the people who are directly interested in the affairs of that bank, and this bill would require a receiver appointed to take the assets of the bank and do with them just what the assignee of an assigned estate, or the trustee of a bankrupt estate, or the executor or administrator of a decedent's estate, would do. I think it is only fair that some such amendment should be made to the banking laws. In other words, the depositors of a national bank or the stockholders who have had nothing to say touching the affairs of the bank, are asked to walk up and pay over their money and pay the indebtedness of the bank. They do not know what the indebtedness is, they do not know what the expense of winding up the bank may be, they do not know what the attorney's fees will be, they do not know what the receiver's fees will be. It is a relic of the old archaic banking system of years ago whereby this money is paid in and the receiver accounts to no one except the Comptroller of the Currency, and that report of account is not accessible to anyone either for inspection or to file exceptions

The bill I have introduced would require the receiver, six months after his appointment and annually thereafter during said receivership, to file an account in the district court of the United States for the district in which the bank is located, which account shall consist of a full and complete statement of all moneys received by said receiver on account of said receivership, and also a complete account or statement of all moneys paid out by said receiver, to whom and for what purpose paid, including the total cost of such receivership, attorney's fees, and other expenses. The account when so filed shall be marked "filed" by the clerk of said district court, and may be examined, as other accounts filed in said court, by any person or persons. Exceptions may be filed to said account or accounts by any person or persons or corporation interested in the affairs of said bank, either as stockholders, officers, or creditors, within 30 days from the date of the filing of said account, and such exceptions shall be heard and determined by the judge or judges of said court as exceptions are now heard and determined when filed to accounts now provided by law to be filed in said courts.

Now, what happens when the affairs of a national bank are to be wound up? The Comptroller of the Currency sends some young man, who knows nothing about the neighborhood, knows

nothing about the people, but comes there with authority back of him to arbitrarily wind up the affairs of the bank. He tells the people to pay the money into the bank—that it is insolvent. They do not know why, never have a chance even to know anything about what becomes of their money, know nothing about the expenses of the receivership; and it seems to me that the time has come when we should treat an insolvent national bank as any other estate and wind it up legally, upon a fair and honorable basis, consistent with the principle of treating every-body with fairness, and not seek to keep from the people directly interested full knowledge of transactions in which they have a direct and vital interest. [Applause.]

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentleman from South Dakota [Mr. Dillon].

Mr. DILLON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to proceed for five minutes out of order.

The SPEAKER pro tempore. The gentleman from South Dakota asks unanimous consent to proceed out of order and revise and extend his remarks. Is there objection?

There was no objection.

THE DUTY OF THE CITIZEN IN TIME OF WAR.

Mr. DILLON. Mr. Speaker, when the war resolution was being discussed on April 5, 1917, I said in the course of my re-

But when it does pass it will become the duty of all citizens to uphold the hands of the Executive. Their loyalty, their Americanism, will not be questioned. We will all remain a unit in giving support to the war and will remain a united people, with common purposes and common

When the selective-draft bill was being considered on April 27, 1917, I said:

Congress in its wisdom has declared war. Every patriotic citizen should now respond to the Nation's call for service and bear the burdens laid upon him. This war will tax the coming generations. Sorrow, distress, misery, and death will follow; yet I believe the American people will patiently bear all of these burdens, even to crucifixion itself if need be, in defense of our liberties.

These were then my sentiments publicly expressed So are they now. I have loyally supported the war program. Since the war began partisanship has had no place in my thoughts or purposes. I enlisted in my country's cause. This is my war and it is your war.

When the war began we made a covenant with the soldier boys who are fighting our battles that we would sustain and protect them. We must now fulfill this covenant. We have no right to send the boys into the trenches unless we are willing to back them with our money, our love, and our lives. While the cannons roar let no one pull back in the traces, nor by speech, act, or deed weaken the cause for which we are fighting.

On September 14, 1917, in the course of my remarks I called attention to the fact that the revenue bill then pending would not raise sufficient funds by taxation to carry out our war program and at the same time protect our national credit. greatest problem now before the country is how to successfully

finance the war.

From the best estimates I can obtain, the total expenditures of the Government, including loans to our allies, for the fiscal year ending June 30, 1918, will be \$16,116,591.347, while the total authorizations for the year amount to about \$21,000,000,000. In all probability a greater sum will be required to carry us through the fiscal year ending June 30, 1919.

It is difficult to comprehend the vastness of the required appropriations. If you had \$20 for every minute, night and day, since the birth of Christ you would have less than the sum au-

thorized for this fiscal year.

How much should we raise by taxation and how much by I have maintained that we should adopt something like the half-and-half plan which has frequently been suggested, namely, first deduct the sum loaned to the allies and raise the balance 50 per cent by bonds and 50 per cent by taxes

The revenue laws now on the statute books will produce an amount estimated at \$3,856,800,000 annually. To carry out the half-and-half plan the revenues received from taxation should

have been approximately 40 per cent greater.

If the present rate of speed in making appropriations and in making loans to our allies is maintained for two or three years we will find our country badly crippled financially unless we materially increase our tax levies. If we fail to do so we must pay the penalty by constantly increasing the interest rate or ultimately sell our bonds at a discount.

Business is now good. Millions of war profits have been made during the last three years and will continue to accrue while the war lasts. The time to levy the war excess profits is now, while the war profits are being reaped. Now is the time to con- and deeds.

serve our national resources. We are now subject to the dangers of inflation and the dangers of high cost of living.

Money wins the lawsuit; it rules the commerce, the business world; it wins battles upon land and sea. We must get it from those who have it. Insolvency brings failure, defeat, and ruin. We ought now to prepare for a long contest and make our victory sure. This we must do by economy; by guarding zealously our financial credit.

The continued bond issues will increase interest rates, while the bond dealers will hammer the bonds below par. During the Civil War bonds reached the low level of 41.49 cents on the dollar. We paid the debt in full. The interest charges and the depreciation penalized the Government as much as three times the amount received for the bonds. Our liberty bonds are now under par.

The Congress recognized the necessity of having an efficient Army and did not hesitate to say to the youth of the land, "We need you to fight the Nation's battles." The mother's tears, the happiness of the homes, love's companionships were all pushed aside because of the Nation's needs in an hour of

peril.

We need money to carry on the war until an honorable peace can be secured. There is but one place to go for it, and that is to those who have it. The drafted boy may be a farmer, a laborer, a lawyer, a doctor, or business man with an earning capacity of \$2,000 or more per year. Yet he must give up his income, his business, and his home. He must assume all the perils of the battle fields and all the horrors that await him in the trenches of Europe. If he should be so fortunate as to return, he will be without money, without practice, without business, and must commence all over again.

In this hour of peril money is just as necessary as men in our supreme effort to win the war. We find the taxpayers pursuing a lucrative business, many of them making immense profits out of the war, and living in fine homes in safe places. power that took the boy from the home now asks the taxpayer to give up only a portion of his excess profits. He should be asked to contribute a far greater amount, for, compared with the sacrifice of the conscripted man, his sacrifice is inconsiderable. Some must fight and some must pay, so men and money

must be impressed for service together.

We are raising by taxation about 23 per cent of the expenditures for the fiscal year ending June 30, 1918. Last year England levied 80 per cent on excess war profits. The chancellor of the exchequer now proposes to increase the levy to 88 per cent for the coming year. We are now levying less than 32 per cent on excess war profits. This levy should be doubled at least, and no injury would be done by increasing it to 80 per cent. Likewise, the levy on excessive incomes should be materially increased.

Armour & Co., in 1913, a year of peace, had a net profit of \$6,028,197. The 1917 profit is estimated at over \$30,000,000, largely reaped out of the misfortunes and miseries of war. A levy of 80 per cent on the excess profits above the year of peace would still give this company nearly \$5,000,000 in excess of its peace profits. In 1916, in addition to the earnings, this company issued stock dividends in the sum of \$80,000,000.

It is estimated that American corporations are now making in excess profits above the peace profits a sum of not less than \$3,600,000,000. The steel companies are making more than nine times the profits they made during peace years. If the capital of these corporations is left unimpaired and they are permitted to earn their peace profits and allowed to keep 20 per cent of the excess war profits, they would still be making millions of dollars for the stockholders which they could not make except through the misfortunes of war. What sacrific: would they make as compared with the boys in our armies?

The world war is rooting love out of the human heart and, is breeding a prelific crop of millionaires. In 1916 we had 14,571 millionaires; in 1917 we had 22,696, and 1918 promises

a still greater increase.

The citizen's duty is plain. He should economize, avoid all waste, spend less, and save more. He should give up the nonessentials and stand ready for sacrifice. The Government needs all the essentials to carry on the war program, and the citizen should not compete with his Government or increase its burdens.

The big question at this hour of the war program is shipbuilding, and next to it is production of food. Without ships to transport the food we fail. Without ships to transport our troops, guns, and war material we fail. The citizen who helps in food production or in building ships is rendering a great service to the Nation in its hour of peril. A blanket offer to help and waiting to be called will not suffice. The Nation's call is for initiative and assistance in the whole war program by acts

Our soldiers can fight the real battles successfully only when we are united at home, only when every citizen becomes a part of the contest. The brave boys who are fighting for us should know that we are sacrificing at home. It will give them inspiration and courage. If they know we refuse to give them our utmost support, how can we expect them to courageously fight our battles?

The people must recognize that this is their war, and that it will cost more to lose than it will to win. To win means the preservation of our liberties. To lose means indemnity and destruction of our liberties. Every citizen who loves his country should support the liberty loan to the best of his ability, contribute liberally to the Red Cross, and help all Christian associations engaged in looking after the welfare of our soldiers.

[Applause.]
While the war continues we must stand as a unit behind the Commander in Chief of the Army. Only constructive criticism should be indulged in, and then only for the betterment of the service. Inefficiency should be eliminated. We can not tolerate it.

In the march our flag represents our purposes. We know no other law or duty. The poor and the rich, the weak and the strong, hold it in reverence. It is a symbol of the story of our fight for equal rights and liberty. With patriotic zeal we see our waving banner and exclaim:

O folds of white and scarlet! O blue with your silver stars! May fond eyes welcome you, willing feet follow you, strong hands defend you, warm hearts cherish you, and dying lips give you their blessing! Ours by inheritance, ours by allegiance, ours by affection—long may you float on the free winds of heaven, the emblem of liberty, the hope of the world! (Anon.)

[Applause,]

Speed the day when the people of the world may lay down their weapons of war and follow the Prince, the Prince of Peace, that they may abide in that perfect love that knows no evil. [Applause.]

Mr. HAYES. Mr. Speaker, I yield five minutes to the gentle-

man from New York [Mr. Platt].

Mr. PLATT. Mr. Speaker, I am personally in favor of the bill and see no objection to it whatever. But I can not resist the temptation to take the floor for a few minutes to express my astonishment-my amazement, I may say-that nobody on the floor of the House, especially on the other side of the Chamber, has raised his voice against the money bund. Here is a bill that not only permits but encourages the great financial institutions of the city of New York—institutions some of which now have a capital and surplus of \$50,000,000 or more—to consolidate into one institution with hundreds of millions of capital, and nobody has raised a word of protest; nobody has declared that such consolidations would create a great money trust, imperiling the liberties of the people.

What has happened to these people who only a few short ears ago were raising their voices against the money trust? Have they acquired in some way a courage that prevents them from trembling every time they hear of a bank consolidation, and are they actually ready to support a bill making consolidation easy? This bill permits banks to consolidate without even liquidating their assets. It permits them to consolidate by transferring the property from one bank to the other. They do not even have to go into the local recorder's office or county clerk's office-perhaps they do for deeds, but not for transfer of personal property. It makes it easy for these great financial institutions to consolidate into one, and no one raises a protest. Personally I think the United States is big enough to take care of its affairs, and we do not need to tremble; but, remembering only a few years ago how much oratory used to be poured out in this House against this money bund, I could not resist the

the first rough against the second of the se create an actual money trust?

Mr. PLATT. Certainly it is, and you might almost say that

that was its purpose.

Mr. STEENERSON. They could consolidate all the banks of New York and Brooklyn, could they not?

Mr. PLATT. I can not see why they could not.

Mr. HASTINGS. The gentleman does not mean to say that it is the purpose of the bill to create a money trust?

Mr. PLATT. I say it makes easy the creation of what you might call a money trust.

Mr. STEENERSON. The purpose of this bill, as I understand, is to create an actual money trust.

Mr. PLATT. I would not say that. I would say that it makes easy the creation of a great financial consolidation or corporation.

Mr. STEENERSON. Suppose we call it a money octopus? Mr. PLATT. We will not quarrel over definitions. You can call it a money trust, if you want to.

Mr. STEENERSON. It was known by that name a few years

ago. Mr. PLATT. That is exactly what it was known by a few

vears ago

Mr. STEENERSON. And now it is sponsored by the majority party in Congress as a war measure.

Mr. PLATT. Worse than that; it is not even called a war measure, but is just a bill to make bank consolidation easy,

The SPEAKER pro tempore. The time of the gentleman from

New York has expired.

Mr. WINGO. Mr. Speaker, I yield 10 minutes to the gentleman from South Carolina [Mr. Stevenson], a member of

the committee.

Mr. STEVENSON. Mr. Speaker, the question was propounded awhile ago by the gentleman from Wisconsin [Mr. Stafford] as to the liability of the consolidated bank for the liabilities of the consolidating banks. I expressed the opinion then that I was satisfied the law was that whenever two corporations consolidated, whether they undertook to make any provision or whether the statute under which they consolidated made provision for the creditors of the constituent companies or not, the law imposed a liability on them. That, of course, was a "horseback" opinion, as they say in the courthouse. I have taken occasion since that time to go down to the Library and consult Thompson on Corporations, and I find that is laid down as unquestionably the law, and is followed by the Supreme Court of the United States. I read:

The consolidated corporation as a rule, even in the absence of statute or agreement, assumes all of the liabilities of the constituent companies, and they may be enacted by a direct action against it, as it is presumed to have notice of the rights of creditors. Ordinarily the creditor may sue the new corporation direct without proceeding in equity.

In some jurisdictions it has been held that he proceeds in equity.

The consolidated corporation in an action against it on a claim against one of the constituent companies may assert the rights and equities and defenses of the original corporations.

For instance, if the constituent company held a counterclaim or a set-off against a claim, the consolidated company has a right to set up that as a counterclaim, just as the original

company would have.

The Supreme Court of the United States has gone to this extent. They have held that that applies where by a statute of a legislature, and notoriously for the purpose of defeating the creditors, two towns have been consolidated and no provision made anywhere for taking care of their liabilities and a new name given. They have held you can proceed against the constituent corporation without any provision of statute or otherwise; and why? Because the same liability exists. A corporation that has taken over the assets is presumed to have taken them over with knowledge of the fact that they were liable for the liabilities of constituent companies which it has absorbed, and it can not be heard to come in and repudiate the debts which were a charge against the assets of the corporation for the purpose of defeating those debts after it has received the assets of the corporation. That is based on this doctrine that has been laid down a number of times by the Supreme Court of the United States, and all other courts in which I have ever practiced, that the assets of a corporation or the capital stock are trust funds in the hands of the officers for the creditors first, and then for the stockholders, and the creditors always stand first. That has been the liability which has been enforced against all of these consolidated corporations, and, therefore, in order not to encumber this bill we do not care to offer amendments to take care of what the general law takes care of, because it is always raising questions of construction whenever you undertake by statute to vary or even reenact what is law generally and generally recognized and construed for 200 years in this country.

Mr. WINGO. Mr. Speaker, no one having any amendment to

offer, I move the previous question on the bill and amendments

to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 1, line 6, after the word "association," insert the words "under the charter of either existing banks."

The amendment was agreed to.

The Clerk read as follows:

Page 2, line 14, after the word "consolidated," insert "who has not voted for such consolidation," The amendment was agreed to.

Sinnott

The Clerk read as follows:

Page 3, line 15, at the end of section 2, insert the following: "And all the rights, franchises, and interests of the said national bank so consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vest d in such national bank into which it is consolidated without any deed or other transfer, and the said consolidated mitional bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the national bank so consolidated therewith."

The amendment was agreed to.

Mr. WINGO. Mr. Speaker, I desire now to offer an amendment on page 1 in line 11.

The SPEAKER pro tempore. That would take unanimous

consent, the previous question having been ordered. Mr. WINGO. Mr. Speaker, I ask unanimous consent to offer the following amendment:

Page 1, line 11, after the word "stock," insert the word "outstanding."

The SPEAKER pro tempore. The gentleman from Arkansas asks unanimous consent to offer an amendment as indicated. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 11, after the word "stock," insert the word "outstanding."

The amendment was agreed to.

Mr. WINGO. Mr. Speaker, I think that the word "may," on page 3, line 14, in order to conform to existing law, should be "shall"; therefore I ask unanimous consent to offer that amend-

The SPEAKER pro tempore. The gentleman from Arkansas asks unanimous consent to offer an amendment. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, line 14, after the word "liabilities," strike out the word "may" and insert in lieu thereof the word "shall."

The question was taken, and the amendment was agreed to. The bill as amended was ordered to be engrossed and read the third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALSH. Mr. Speaker, I ask for a division. The House divided; and there were—ayes 25, noes 10.

Mr. RANDALL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Cali-fornia makes the point of order that there is no quorum pres-

ent. It is very evident—
Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman withhold that point for a while? Is the gentleman opposed to this bill?

Mr. RANDALL. I want a roll call on this bill. Mr. STEENERSON. Mr. Speaker, regular order.

The SPEAKER pro tempore. Evidently there is no quorum present

Mr. WALSH. Will the gentleman withhold-Mr. RANDALL. I withdraw the point,

The SPEAKER pro tempore. The Doorkeeper will lock the

Mr. RANDALL. I withdraw the point. Mr. COOPER of Wisconsin. The gentleman can not with-draw it after the Chair has stated that there is no quorum

The SPEAKER pro tempore. The Chair has announced an evident fact, that there is no quorum present-

Mr. RANDALL. I make the point, then.
The SPEAKER pro tempore. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll,

The question was taken; and there were—yeas 293, nays 14, answered "present" 3, not voting 121, as follows:

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Alexander Almon	Beshlin Black	Burnett Butler	Chandler, N. Y. Chandler, Okla.
Anderson	Bland	Byrnes, S. C.	Clark, Fla.
Ashbrook	Blanton	Byrns, Tenn.	Clark, Pa.
Aswell	Booher	Caldwell	Claypool
Avres	Bowers	Campbell, Kans.	Cleary
Bacharach	Brand	Cannon	Coady
Barkley	Britten	Cantrill	Collier
Barnhart	Browne	Carlin	Connally, Tex.
Deakes	Browning	Carter, Okla.	Connelly, Kans.
Bell	Buchanan	Cary	Cooper, W. Va.

Cooper, Wis. Crago Crisp Currie, Mich. Dale, N. Y. Dale, Vt. Dallinger Darrow Davis Delaney Dent Denton Dickinson Dies Dill Dillon Dixon Dominick Donovan Doolittle Doorttle
Doremus
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Dyer
Eagle
EdmondsElliott Ellsworth Elston Emerson Evans
Evans
Fairchild, G. W.
Fairfield
Farr
Ferris
Fields Fisher Flood Focht Fordney Foster Francis Frear French French Fuller, Mass. Gallagher Gard Garland Garnett, Tenn. Garrett, Tex. Gillett Glass Glynn Glynn Godwin, N. C. Goodall Goodwin, Ark.

Cramton Esch

Graham, Ill.

Gray, Ala. Green, Iowa Greene, Mass. Greene, Vt. McLaughlin, Pa. Maher Mansfield Mapes Gregg Griest Mapes
Martin
Mason
Mays
Miller, Minn,
Miller, Wash,
Mondell
Montague Hadley Hamilton, Mich. Hamlin Hardy Harrison, Va. Hastings Haugen Hawley Hayden Hayes Heaton Moore, Pa. Moores, Ind. Morgan Neely Nelson Heaton Helm Hensley Nelson Nicholls, S. C. Nichols, Mich. Nolan Oldfield Oliver, Ala. Oliney Osborne O'Shaunessy Hersey Hicks Hilliard Holland Houston Howard O Shaunessy Overmyer Overstreet Palge Park Parker, N. J. Peters Phelan Hull, Iowa Hull, Tenn. Humphreys Husted Hutchinson Igoe. Jacoway Jacoway James Johnson, Ky. Johnson, Wash. Jones, Tex. Jones, Va. Platt Polk Pou Pratt Price Purnell Kearns Keating Kehoe Kelly, Pa. Kennedy, Iowa Quin Ragsdale Ramseyer Rankin Kennedy, Ic Kettner Key, Ohio Kincheloe Kinkaid Kraus Kreider La Fellette Lazaro Lea, Cal. Lesher Littlenage Rayburn Reed Riordan Robbins Robbins Robinson Rodenberg Romjue Rowe Rubey Russell Sanders, Ind. Sanders, La. Scott, Mich. Littlepage Lobeck Lundeen Lunn McArthur McCormick Sears Sells Shackleford Sherley Sherwood Shouse Siegel McFadden Sherv McKenzie Shom McKeown Siege McLaughlin, Mich.Sims NAYS-14. Steenerson

Sisson Slayden Sloan Small Smith, Idaho Smith, Mich. Smith, C. B. Snell Snook Snyder Steagall Stedman Stephens, Miss. Stephens, Nebr. Stevenson Stiness Strong Sumners Sweet Swift
Switzer
Tague
Talbott
Taylor, Ark.
Temple
Thompson
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Timberlake
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Watson, Pa.
Watson, Va.
Watson, Va.
Weaver
Welling
Welty
Whaley
Wheeler
White, Me.
White, Ohio
Willams
Wilson, Ill.
Wilson, La.
Wilson, Tex.
Wingo Wingo Winslew Woods, Iowa Woodyard Wright Young, Tex.

King Knutson Sterling, Ill. Volstead Walsh Randall Stafford Huddleston

ANSWERED "PRESENT"-3. Juul London

NOT VOTING-121.

Anthony Austin Bankhead Flynn Foss Freeman Fuller, Ill. Gallivan Gandy Blackmon Borland Brodbeck Brumbaugh Good Graham, Pa. Gray, N. J. Griffin Burroughs Campbell, Pa. Candler, Miss. Caraway Carew Hamill Hamilton, N. Y. Harrison, Miss. Haskell Carter, Mass. Carter, Mass. Church Classon Cooper, Ohio Copley Costello Crosser Curry, Cal. Davidson Decker Heffin Heintz Helvering Hollingsworth Hood Ireland Johnson, S. Dak. Decker Denison Dewalt Dooling Kahn Kahn Kelley, Mich, Kennedy, R. I. Kiess, Pa, Kitchin LaGuardia Drukker Dunn Eagan Langley Larsen Lee, Ga. Lehlbach Fairchild, B. L.

Lenroot Lever Little Lonergan Lonergan Longworth Lufkin McAndrews McClintic McCulloch McKinley McLemore Madden Mann Mann Mackey Mann Meeker Merritt Moon Morin Mott Mudd Norton Oliver, N. Y. Oliver, N. Y.
Padgett
Parker, N. Y.
Porter
Powers
Rainey
Raker
Ramsey
Reavis
Roberts Roberts

Rose Rouse Rowland Rucker Sabath Sanders, N. Y. Sanford Saunders, Va. Schall Scott, Iowa Scott, Pa. Scully Shallenberger Slemp Smith, T. F. Steele Sterling, Pa. Sullivan Taylor, Colo. Templeton Thomas Tinkham Treadway Vare Ward Webb Wood, Ind. Zihlman

Wise Young, N. Dak.

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. HAMILL with Mr. ZIHLMAN. Mr. Carew with Mr. Slemp. Mr. GRIFFIN with Mr. SANFORD.

Mr. Dooling with Mr. Rogers.

Mr. Sterling of Pennsylvania with Mr. Ward.

Mr. Blackmon with Mr. Hollingsworth.

Mr. Gandy with Mr. Kennedy of Rhode Island.

Mr. BORLAND with Mr. Good. Mr. Scully with Mr. Rowland.

Mr. Steele of Pennsylvania with Mr. McKinley.

Mr. Rouse with Mr. Haskell.
Mr. Bankhead with Mr. Sanders of New York,
Mr. Brodbeck with Mr. Austin.

Mr. Brumbaugh with Mr. Cooper of Ohio. Mr. Campbell of Pennsylvania with Mr. Copley.

Mr. CAMPBELL Of Pelmsylvania with Mr. Could.
Mr. Candler of Mississippi with Mr. Burroughs.
Mr. Caraway with Mr. Costello.
Mr. Church with Mr. Davidson.
Mr. Crosser with Mr. Tinkham.

Mr. Decker with Mr. Dunn. Mr. Dewalt with Mr. Benjamin L. Fairchild.

Mr. Eagan with Mr. Fess. Mr. Estopinal with Mr. Foss.

Mr. McAndrews with Mr. Fuller of Illinois. Mr. Gallivan with Mr. Freeman.

Mr. Gallivan with Mr. Freeman.
Mr. Harbison of Mississippi with Mr. Gray of New Jersey.
Mr. Heflin with Mr. Graham of Pennsylvania.
Mr. Helvering with Mr. Hamilton of New York.
Mr. Hood with Mr. Haskell.
Mr. Larsen with Mr. Ireland.
Mr. Lee of Georgia with Mr. Kahn.
Mr. Lever with Mr. Kelley of Michigan.
Mr. Lonergan with Mr. Kiess of Pennsylvania.
Mr. Flynn with Mr. Langley.

Mr. LONERGAN WITH Mr. KIESS OF PE Mr. FLYNN WITH Mr. LANGLEY. Mr. McClintic with Mr. Lehlbach. Mr. McLemore with Mr. Little. Mr. Moon with Mr. Longworth.

Mr. OLIVER WITH Mr. LUFKIN.
Mr. PADGETT WITH Mr. McCULLOCH.
Mr. RAINEY WITH Mr. MADDEN,
Mr. RAKER WITH Mr. MEEKER,

Mr. Rucker with Mr. Merrit.
Mr. Sabath with Mr. Mott.
Mr. Saunder of Virginia with Mr. Mudd.
Mr. Schall with Mr. Norton.

Mr. SHALLENBERGER WITH Mr. PORTER. Mr. SULLIVAN WITH Mr. POWERS.

Mr. TAYLOR of Colorado with Mr. RAMSEY.

Mr. Thomas with Mr. Reavis. Mr. Webb with Mr. Roberts.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. A quorum is present; the Doorkeeper will unlock the doors.

On motion of Mr. Wingo, a motion to reconsider the vote by which the bill was passed was laid on the table.

By unanimous consent, leave of absence was granted to Mr. Langley, for 10 days, on account of serious illness in his family.

AMENDMENTS TO 5136, 5137, 5139, 5147, 5172, 5222, AND 5230, REVISED STATUTES.

Mr. PHELAN. Mr. Speaker, I desire to call up the bill H. R. 11020.

The SPEAKER pro tempore. The Clerk will report the bill. The Clerk read as follows:

A bill (H. R. 11020) to amend and reenact sections 5136, 5137, 5139, 5147, 5172, 5200, 5222, 5230, and 5239 of the Revised Statutes of the United States.

5147, 5172, 5200, 5222, 5230, and 5239 of the Revised Statutes of the United States.

Be it enacted, etc., That sections 5136 and 5139 of the Revised Statutes of the United States be amended and reenacted so as to read:

"Sec. 5136. Upon duly making and filing articles of association and an organization certificate, the association shall become, as from the date of the execution of its organization certificate, a body corporate, and as such, and in the name designated in the organization certificate, it shall have power—

"First. To adopt and use a corporate seal.

"Second. To have succession for the period of 20 years from its organization, unless it is sooner dissolved according to the provisions of its articles of association, or by the act of its shareholders owning two-thirds of its stock, or unless its franchise becomes forfeited by some violation of law.

"Third. To make contracts.

"Fourth. To sue and be sued, complain and defend, in any court of law and equity as fully as natural persons.

"Fifth. To elect or appoint directors, and by its board of directors to appoint a president, vice president, cashier, and other officers, define their duties, require bonds of them, and fix the penalty thereof, dismiss such officers or any of them at pleasure, and appoint others to fill their places.

"Slxth. To prescribe, by its board of directors, by-laws not inconsistent with law, regulating the manner in which its directors shall be elected or appointed, its officers appointed, its property transferred, its general business conducted, and the privileges granted to it by law exercised and enjoyed.

"Seventh. To exercise, by its board of directors or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this title.

negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by bujing and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this title.

"But no association shall transact any business, except such as is incidental and necessarily preliminary to its organization, until it has been authorized by the Comptroller of the Currency to commence the business of banking.

"Sec. 5139. The capital stock of each association shall be divided into shares of \$100 each and be deemed personal property. There shall be kept by each association a book to be known as a stock ledger, in which shall be entered the name of the person or persons, firm, company, or corporation to whom each share of stock is issued, the date of issue, the number or numbers of the certificates issued, and the number of shares represented by each certificate.

"Any stock transferred as hereinafter provided shall be entered upon the stock ledger by entering after the original entry of the issuance thereof the date upon which the same is canceled and the number or numbers of the new certificate or certificates issued therefor. The entry of such original issue or such transfer upon the stock ledger shall be prima facle evidence of the ownership of the stock. Every person becoming a shareholder by such transfer shall, in proportion to his shares; and no change shall be made in the articles of association by which the rights and liabilities of the prior holder of such shares; and no change shall be made in the articles of association by which the rights and liabilities of the prior holder of such base second and the prior of the certificate therefor properly and duly indorsed and by the issuance of a new certificate or certificates records of which transfer shall be kept in the stock ledger in the same manner as the record of the original issue of stock with the addition that a record shall be made therein of

shall any such association hereafter invest in a site and bank building or bank and office building for its accommodation in the transaction of its business an amount in excess of its pald-in and unimpaired capital stock."

Sec. 3. That section 5147 of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"Sec. 5147. Each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith and in his own right of the number of shares of stock required by this title, subscribed by him, or standing in his name on the books of the association, and that the same is not hypothecated, or in any way pledged, as security for any loan or debt. Such oath, subscribed by the director making it and certified by the officer before whom it is taken, shall be limmediately transmitted to the Comptroller of the Currency, and shall be filed and preserved in his office. If any director shall fail to quality and forward his oath to the Comptroller of the Currency, which fold says after his election, unless on account of iliness, absence, or other good cause approved by the Comptroller of the Currency, a vacancy shall be immediately declared and the party so elected and failing to qualify shall be ineligible for reelection as director for that year."

Sec. 4. That section 5172 of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"Sec., 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and frauduent alterations, and shall bear of privaled therefrom, and numbered, such quantity of circulating notes in blank or bearing eng

notes, or when any association in voluntary liquidation has failed to deposit lawful money with the Treasurer of the United States sufficient to redeem its outstanding circulation, as provided by section 5222 of the Revised Statutes of the United States, he may, instead of canceling its bonds, cause so much of them as may be necessary to redeem its outstanding notes to be sold at public auction in the city of New York after giving 30 days' notice of such sale to the association. For any deficiency in the proceeds of all the bonds of an association, when thus sold to reimburse to the United States the amount expended in paying the circulating notes of the association, the United States shall have a paramount lien upon all its assets; and such deficiency shall be made good out of such assets in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same."

Mr. PHELAN. Mr. Speaker, the bill H. R. 11020 amends seven sections of the national banking act. While the bill is a long one, most of the phraseology of it is already in existing The first section refers to 5136 of the Revised Statutes. It amends 5136 by striking out a few lines, and it subsequently amends 5139 by putting in some provisions to take care of what was stricken out in 5136. Under the present law the stock ledger is kept according to by-laws of national banking associations. There is no statutory provision as to just how a record of the stock and the transfers of the stock shall be kept. Provision is made in 5139 by statute relative to the keeping of a record of stock and transfers. The provision will be found on the bottom of page 3, from line 16, beginning with the word "there," down to and including the word "stock," on line 3 of page 4, and from line 10 to line 20, inclusive, on page 4. Provision is made whereby national banking associations shall be obliged to keep the record of the ownership of the various certificates of stock and a record of every transfer made. At the present time there is in many banks a confusion. The records, which have to be kept only according to by-laws, are not kept up to date, and at times it is extremely difficult for anybody, including the Treasury Department or the Comptroller of the Currency, to find out who ower the stock. find out who owns the stock. Occasions have arisen when it has seriously impaired the rights of creditors through their inability to find out what they have a right to know about the ownership of stock in the various national banks of the United States.

The provisions in these two sections, or the amendments, are intended to do away with this difficulty and require the keeping

of the stock ledger in proper shape.

Section 2 of the bill amends the present law by adding the words, on page 5, beginning with the word "nor," on line 13, and down to and including line 17:

Nor shall any such association hereafter invest in a site and bank building or bank and office building for its accommodation in the transaction of its business, an amount in excess of its paid-in and unimpaired capital stock,

The purpose of that amendment is to prohibit national banking associations from investing more money in a site and building, or bank building and office building, than is equal to its paid-in and unimpaired capital stock. Banks have gotten themselves into difficulties in the past because they have invested too much in real estate and buildings in which to do business. As I have before stated on the floor of the House, a bank's assets ought to be kept, so far as possible, in liquid Even though the bank has its assets in the very best of investments, so far as safety is concerned, that is not enough. Because of the danger there is attendant upon putting too much money into real estate, the committee, upon the recommendation of the Treasury Department, has offered this amendment to the present law.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. PHELAN. Yes.

Mr. CAMPBELL of Kansas. Would that prevent a bank from putting up an office building in connection with its bank, say, make a banking room below, with offices above extending five or six stories high?

Mr. PHELAN. Not unless it spends too much money for it. It limits the amount which a bank can invest in that kind of property to an amount equal to the paid-in and unimpaired capital stock of the bank.

Mr. CAMPBELL of Kansas. So that if the capital stock of the bank is \$200,000, they could not put up a building-

Mr. PHELAN. They could not spend over \$200,000. Mr. CAMPBELL of Kansas. On that kind of a building?

Mr. PHELAN. Yes; that is it.

Section 3 amends the present law by the line on page 6, beginning with the word "if" on line 9, and down through line 15. The provision is simply this: At the present time a man will be elected a director of a bank and will fail to qualify for some reason or another, perhaps his carelessness, perhaps because he is away and does not pay any attention to the requests that he qualify. As a result confusion has arisen and banks have gone along without their full directorate. There is nothing harsh in this provision. It simply provides that if I that lien?

a man who is elected a bank director does not qualify within 60 days, unless on account of illness and absence, or other good cause, he shall be disqualified for the rest of that year. opportunity is given to elect somebody in his place. ment has the recommendation of the American Bankers' Association, as well as that of the Comptroller of the Currency.

The next section, section 4, has only a slight addition to the present law. That addition will be found on the bottom of page 6, line 25, beginning with the word "or" through the word "provided," on line 1 of page 7, and the words "or engraved," on line 10 of page 7.

It provides that the Bureau of Engraving and Printing may engrave the signature of the proper officers of a national banking association upon bank notes put out by that association. In other words, it enables these bank notes to have the engraved signature instead of the actual signature of the proper officers of the bank. At the present time under the law the proper officer of a national bank has to go through the physical exercise of signing every national bank note put out by the Bureau of Engraving and Printing. This obviates that difficulty, and saves time. Sometimes a rubber stamp is used. At first it might seem dangerous, but there is no danger in the proposition. If anythed desires an exploration I will explain the proposition. tion. If anybody desires an explanation I will explain why it is no serious violation of the present practice.

The next section is section 5. That makes an insertion in section 5222 of the Revised Statutes. It changes the words in line 18, page 7. Under the present law, instead of "ninety days," the words "six months" are to be found. We strike out the "six months" and insert in place thereof "ninety days." provides this slight change so that when a bank goes into liquidation under the present law it is obliged within six months to deposit sufficient lawful money to redeem its outstanding circulating notes, and under the proposed amendment it is obliged

to do that within 90 days, or three months.

There is an amendment on page 8 to section 5230, beginning with the word "or," in line 9 of page 8, and running on down to and including the words "United States," in line 14. Those words are inserted simply to take care of the provisions in the preceding section, No. 5222.

I have explained these various provisions briefly, because I think that is all that is necessary; but if I have not made myself clear, I shall be glad to answer all questions that may be

asked.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?
Mr. PHELAN. Yes.
Mr. DEMPSEY. On page 5 there is a provision to amend, that the bank can invest in a site and bank building. Suppose a bank had a capital stock of \$200,000 and had an opportunity to purchase a building worth \$600,000 on which it had a mortgage of \$400,000. Would it have the right to do it under this provision?

Mr. PHELAN. That is a matter of construction of that statute which ultimately, if the question were raised, would have to be decided by the courts. But I think the intention is not to

permit that transaction.

Mr. DEMPSEY. The bank does not actually invest more than \$200,000, the amount of its capital stock, but it could in-

vest it so that there would be no additional liability.

Mr. PHELAN. No; it would be very difficult for it to assume that obligation or obtain that building without assuming the entire obligation, either directly or indirectly, and I think it is the intention of this provision to prohibit them from incurring that obligation. As I said, that is a matter of construction. I am trying to give the gentleman the intention, as think it was held by the committee, when it reported this bill.

Mr. DEMPSEY. Suppose they took the conveyance, subject to the obligation, and assumed no liability at all. Would the bank, in the gentleman's opinion, be permitted to buy?

Mr. PHELAN. I am trying to conceive how those conditions might arise.

Mr. DEMPSEY. That very frequently arises.
Mr. PHELAN. I think perhaps it does.
Mr. DEMPSEY. Conveyance may be made either with a guaranty, assuming the obligation, or simply taking the conveyance subject to the obligation. In the latter case he incurs no liability. Now, here is a bank that wants to buy a building. They are not going to invest more than \$200,000.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield for a

suggestion?

Mr. PHELAN. I think that comes outside of the intention of the committee. I would not like to say positively that that is forbidden without giving it further consideration.

Mr. DIXON. The property of the bank would be subject to

Mr. DEMPSEY. No; the property of the bank would not be subject to that lien. In order to save the investment they had already made, they would have to take care of the lien.

Mr. DIXON. Certainly.

Mr. DEMPSEY. They could therefore either sacrifice or make good.

Mr. DIXON. Their original investment would be lost unless they bid in the security.

Mr. SUMNERS, Mr. Speaker, will the gentleman yield? Mr. PHELAN. Yes; I yield to the gentleman.

Mr. SUMNERS. I think myself it would be outside the spirit, but I suggest, for the consideration of the committee, that it would probably be well to add some words to the effect that the total value of the property should not exceed the capital stock and surplus.

Now, just a few words to make that absolutely clear. While I have the attention of the gentleman I would like to ask him a question. In line 7, page 3, the words "personal se-curity" appear.

Mr. PHELAN. That is the existing law.

Mr. SUMNERS. I was under the impression that in the financial legislation enacted in the last Congress banks that are permitted to loan money on real estate security, that right being granted in the regional reserve bank act, if I am not mistaken

Mr. PHELAN. I do not get the gentleman's reference. What page and line is it?

Mr. SUMNERS. Line 7, page 3. Mr. STEVENSON. What is the language?

Mr. PHELAN. What is the language to which the gentleman refers?

Mr. SUMNERS. The words "on personal security" in line 7, page 3. Does the chairman of the committee locate the particular words?

Mr. PHELAN. Yes; I have the place now. Mr. SUMNERS. I am not as familiar with the legislation dealing with the subject as I ought to be in order to ask this

Mr. PHELAN. I think there is no inconsistency there, because the statute is brought down to date, and I think it would

be noted in this book if there were any inconsistency.

Mr. STEVENSON. That exception as to real estate is in the next section. This section, exactly as it is, stands as a part of 5136, and then there is a provision of law separate from that, section 24 of the Federal reserve banking act, which gives them special authority to loan on real estate under certain circumstances, and this does not limit that at all.

Mr. SUMNERS. That is why I directed attention to it. Mr. PHELAN. I did not have the right page at first. This

simply gives certain power. There is an additional power given in the next section, just as my colleague [Mr. Stevenson] has pointed out.

Mr. SUMNERS. The reason why I took the time of the committee and interrupted the chairman is that when you attempt to enumerate the things that may be done, it is always a little dangerous unless you include everything that you want to

include.

Yes. I understand the gentleman's purpose. Mr. PLATT. Mr. Speaker, I think the gentleman from Massachusetts [Mr. Phelan] has perhaps sufficiently explained most of this bill, and unless some one wants to ask further questions or wants further time, I do not care to say much, except that this bill is an excellent illustration of how much time the House might save if our bills were printed with the new matter in italics. On the second page of this bill there are only five words inserted as new matter, and yet there is a whole page which we must read. If it were possible at a glance to see the words that are new, by having them in italics, or with the old matter struck through and the new matter in italics, it would make it very much easier to consider all these bills and would save our time.

It seems to me there can hardly be very much objection to anything in this bill. I think a few things ought to have a little more discussion though, especially the section which limits the amount of money that a bank can spend on its building. I should think there might be some question in regard to that, and also the provision in section 5 changing 6 months to 90 days. I do not think the gentleman fully explained that, although I

have heard no serious objection to it.

Of course, everybody knows that national banks in some places are more or less given to erecting rather palatial buildings, very often of only one story, which can not be used for any other purpose. They are put down in the assets of the bank at a pretty high figure, and yet if they had to be sold, if there should be a consolidation of banks in the city and that left one

of these buildings on the market, there would be hardly anything you could do with it, and it would not bring much at a sale. It would have to be entirely remodeled for ordinary busi-ness or office purposes. Therefore I think this limitation of the amount that a bank may spend upon its building is rather a wise provision.

Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. McFadden].

Mr. McFADDEN. Mr. Speaker, I do not care to take the time of the House to discuss this bill in detail, but since it was discussed in our committee a question has come up in regard to section 5147, which is that section pertaining to the election and duties of directors, I would like to call the attention of the gentleman from Massachusetts [Mr. Phelan], who has charge of this bill, to the latter part of that section, in which it says that if any director shall fail to qualify and forward his oath to the Comptroller of the Currency within 60 days after his election, unless on account of illness, absence, or other good cause, approved by the Comptroller of the Currency, a vacancy shall be immediately declared, and the party so elected and failing to qualify shall be ineligible to reelection as a director for that year.

Since this matter was discussed by the committee an important case has been pointed out to me, and if this amendment is permitted I hope some exception may be made in this case. I refer to the case of Brig. Gen. W. W. Atterbury, general manager of the Pennsylvania Railroad, who is now serving his country so admirably in France as director of our railroads there. Mr. Atterbury is a director of the Franklin National in Philadelphia, and was elected at their last annual meeting, but because of the fact that he is now serving his country patriotically in France he has not qualified, and evidently can not qualify as a director of that institution because of his service in France.

Mr. SHOUSE. Will the gentleman yield?

Mr. McFADDEN. I yield to the gentleman from Kansas. Mr. SHOUSE. Why can not be be qualified? Mr. McFADDEN. I can not answer the gentleman. Unless the fact that there are no facilities in that part of France where his duties call him to permit him to qualify.

Mr. SHOUSE. Does not the gentleman believe that 60 days

is ample for a man in France to qualify?

Mr. McFADDEN. In this case the gentleman has not qualified owing to his duties in France. The reason why he has not done so I am unable to say further than I have already stated.

Mr. SHOUSE. Will the gentleman yield to a further ques-

tion?

Mr. McFADDEN. Yes.

Mr. SHOUSE. I think the chairman of the Banking and Currency Committee, himself a director in a national bank, said that he had not qualified as a director in his bank merely because there was no reason why he should, and there was no penalty attached to it. This seeks to cure that situation.

Mr. McFADDEN. But here is a different case—a man serv-

ing his country, which is at war, in a foreign country.

Mr. SHOUSE. Does not the gentleman think he has merely failed because there was no reason why he should give the matter his attention?

Mr. McFADDEN. I do not think that is the case. The bank is loath to lose him as a director and does not want to be deprived of his services or his name from their directorate.

Mr. PHELAN. Will the gentleman yield a moment?

Mr. McFADDEN, Yes.

Mr. PHELAN. I would like to state to the gentleman that we adopted the language recommended by the legislative committee of the American Bankers' Association to insert the words "on account of illness, absence, or other good cause approved by the I think that was to meet the situation that the comptroller." gentleman has stated. I think, if he will reflect, he will see that under the provision as we have it in the bill in the very case he presents it will come within the provisions, and he will not be prohibited from qualifying at a later date as a director in & bank.

Mr. McFADDEN. I am glad the gentleman has made that statement, and I hope it will prevail in this case. Mr. Atturbury is one of the leading railroad men in the United States, general manager of one of our greatest systems; and when this country became involved in this war, and the need for a big man to take charge of our railroads in France was made apparent, Mr. Atturbury responded, and immediately his services were offered, and great results have been, and now are, being were offered, and great results have been, and now are, being accomplished by this man—Brig. Gen. William W. Atturbury, all honor to him—and now, just because he is in France serving his country, I do not think Congress should enact a bill to drive him off the boards of financial institutions in this country in which he has large financial interests.

Mr. STAFFORD. Will the gentleman from New York [Mr. PLATT] take the floor, so that I may ask him a question? Mr. PLATT. I will, and I yield to the gentleman.

Mr. STAFFORD. I believe it is not a change in existing law, but in reading the bill with reference to section 5136, I was impressed with the idea that the board of directors formulate the by-laws of the various banking associations without any approval by the shareholders. I believe that is existing law. Mr. PLATT. I think that is right.

Mr. STAFFORD. Can the gentleman inform us why the board of directors should have the formulation of the by-laws of a corporation without the sanction by the shareholders of the association? I realize that the gentleman is not a lawyer, but he is a good business man, and perhaps he can answer the ques-

Mr. PLATT. Of course, the shareholders have the election of directors.

Mr. STAFFORD. But usually in the organization of a corporation the by-laws are adopted by the shareholders and not by the board of directors. Here we have an exception in the case of a banking association, where the board of directors determines the by-laws without even the approval of the sharehold-It seems to me to be an exceptional case, and I rose to inquire the reason for it.

I direct the gentleman's attention to the subdivision on page

2, the sixth subdivision:

To prescribe, by its board of directors, by-laws not inconsistent with law, regulating the manner in which its directors shall be elected or appointed, its officers appointed, its property transferred, its general business conducted, and the privileges granted to it by law exercised

That, I assume, restricts the powers of the board of directors as to by-laws of that character. Perhaps as to by-laws of a general character they are to be formulated and adopted as usual by the shareholders of a corporation.

Mr. PLATT. I think there has never been any complaint in the way of by-laws so adopted. There are certain legal re-strictions, as the gentleman will see if he looks over the act.

Mr. STEVENSON. The present law is that they shall be made by the directors, and there is merely a slight amendment here.

Mr. STAFFORD. I said it was the present law; but why should there be an exception in the case of banking associations from the general rule applying to corporations in general?

Mr. STEVENSON. I was not here in 1864, when that was enacted, but I presume there was some good reason for it.

Mr. STAFFORD. But the gentleman is here in 1918, and a very prominent and industrious member of the Banking and Currency Committee, and I thought the gentleman might give us some reason.

Mr. PLATT. The gentleman will notice that we are taking powers from the board of directors in the bill with reference to

the transfer of stock.

Mr. STAFFORD. A very commendable amendment, which, I suppose, is predicated upon the idea of publicity requiring a registry of stock showing the amount of stock held by various shareholders. In many of our States that same condition is required as to private corporations.

Mr. PLATT. I think that was one of the items. There was a certain amount of variation in by-laws in this matter, and occasionally banks did not know who their shareholders were

and it occasioned some inconvenience.

Mr. STAFFORD. I suppose there are some instances where some messenger boys were the titular shareholders, but where the real shareholders were their employers.

Mr. PLATT. I have never known of that.

Mr. STAFFORD. The gentleman knows of messenger boys being incorporators?

Mr. PLATT. I have heard of it; yes.

Mr. MOORES of Indiana. Mr. Speaker, I would like to have a few minutes to ask a few questions.

Mr. PLATT. I yield the gentleman five minutes.

Mr. MOORES of Indiana. I notice that the amendment of section 5172 has been so drawn that it seems to me there are unintentional omissions in it as it now stands. I would like to ask the committee if this section 5172 has been amended since 1908?

Mr. PHELAN. Since 1908?

Mr. MOORES of Indiana. Yes.

Mr. PHELAN. My recollection is it was amended within a year to provide for a larger issue of small bills, one and two

Mr. MOORES of Indiana. I call the committee's attention to the fact that this amendment provides for one and two dollar

Mr. PHELAN. Yes. If the gentleman will recollect, Mr. GLASS brought in a bill at the request of the Treasury Department so as to get out a greater number of bills, and my impression is that the House was unanimous because everybody wanted more money.

Mr. MOORES of Indiana. Then was it so amended also as

to provide to strike out the other securities?

Mr. PHELAN. Will the gentleman tell me just what he means?

Mr. MOORES of Indiana. The act of 1908 provided—that amendment—that such notes shall "state," and you use the word "express," upon their face that they are secured by United States bonds or other security certified by the written or engraved signatures of the Treasurer and Register and by the imprint of the seal of the Treasury.

Mr. PHELAN. I have not the statute before me, but I think I know what the gentleman is talking about. I think he is

talking about the Aldrich-Vreeland Act.

Mr. MOORES of Indiana. Yes, Mr. PHELAN. And under that act bank notes could be put out on security other than the United States bonds in certain emergencies.

Mr. MOORES of Indiana. That is true.

Mr. PHELAN. The Aldrich-Vreeland Act would have died by operation of its own provisions if we had not extended it under the Federal Reserve Act. My recollection is the term for which we extended it was a year. That year has lapsed, and the Aldrich-Vreeland Act is no longer in force in the United States.

Mr. MOORES of Indiana. Then the omission of the other securities was intentional. I have no criticism to make of it.

Mr. PHELAN. It is not contained in this act. The present

law does not have those words in it.

Mr. MOORES of Indiana. I now direct the committee's attention to the evidently mistaken omission of the word "certified" in line 6, after the word "States," on page 7, which ought to be in there

Mr. SHOUSE. Mr. Speaker, if my colleague will permit, I have just compared this with the present law, in company with the gentleman from Texas [Mr. Eagle], and there is no change from the present law in line 6, page 7.

Mr. MOORES of Indiana. Except the omission of that word

certified,"

Mr. SHOUSE. There is not any change. I am reading from the national bank act.

Mr. PHELAN. If there is any such error, it is an error in the compilation put out by the Treasury Department, and I am now looking at it to see. This language is the exact language as compiled by the Treasury Department in the national bank

act, as compiled down to date by the Treasury Department.

If there is any mistake, it is a mistake in the compilation of the book put out through this document room and not a mistake on the part of the committee that reported. If there is any

question, why, it will be corrected.

The SPEAKER pro tempore. The time of the gentleman has

expired.

Mr. PHELAN. If nobody wants to offer an amendment, I wish to move the previous question. Mr. Speaker, I desire to move the previous question, and pending that to ask unanimous consent that if amendments be offered, those amendments be offered without debate.

The SPEAKER pro tempore. There are some committee

amendments-

Mr. PHELAN. I will have to find out first if anybody wants to offer an amendment. We have one or two typographical errors to correct.

The SPEAKER pro tempore. The Chair has no desire to direct things, but the Chair thinks that if amendments are offered they can be disposed of and the House can get along in accordance with the rules and expedite matters.

Mr. SHOUSE. Mr. Speaker, I desire to offer four small committee amendments to correct grammatical errors.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Page 3, line 23, after the word "entering" insert a comma.

The amendment was agreed to.

The Clerk read as follows:

Page 3, line 24, after the word "thercof" insert a comma.

The amendment was agreed to.

The Clerk read as follows:

Page 4, line 17, after the word "canceled," strike out the quotation mark and insert quotation marks following the word "certificate," in page 4, line 20.

The amendment was agreed to.

The Clerk read as fellows:

Page 8, line 19, after the word "sold" insert a comma,

The amendment was agreed to.

Mr. PHELAN. Mr. Speaker, a parliamentary inquiry. The SPEAKER pro tempore. The gentleman will state The gentleman will state it. Mr. PHELAN. If the gentleman from Alabama [Mr. Almon] offers an amendment, will he have the floor for an hour? The SPEAKER pro tempore. Yes.

Mr. PHELAN. Is there any way by which I can ask unanimous consent that the gentleman may have five minutes instead

The SPEAKER pro tempore. The House can do anything by unanimous consent.

Mr. PHELAN. I ask unanimous consent that the gentleman be given five minutes in which to offer his amendment and speak to it, and no more.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent that the gentleman from Alabama may be permitted to offer an amendment, and to be limited to five minutes of debate. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 15, after the word "building," strike out the following for its accommodation in the transaction of its business."

Mr. ALMON. Mr. Speaker, the following provision is added to existing law:

Nor shall any association hereafter invest in a site and bank building or bank and office building for its accommodation in the transaction of its business, an amount in excess of its paid-in and unimpaired capital stock.

This may be a proper limitation, but I do not think that a national bank should be prohibited from building an office building and allow a part of it to be used and rented for other pur-It occurs to me that it is doubtful under the provisions of the bill as it is written whether a national bank would be authorized to build an office building and permit any part of it to be used for any other purposes except for its accommodation and the transaction of its business unless my amendment is

Mr. STEVENSON. Will the gentleman yield for a question?

Mr. ALMON. Yes.

Mr. STEVENSON. Has a national bank under the law any right to hold any real estate for more than five years, except such real estate as is held for its accommodation and conduct of its business, and is not that necessary in order to give them the right to hold real estate?

Mr. ALMON. That may be true, but I believe a national bank should be authorized, if it desired to do so, to invest in what is usually known as an office building and rent such parts as are not needed for banking purposes.

Mr. PHELAN. Will the gentleman yield? Mr. ALMON. I will. Mr. PHELAN. I do not believe there is any necessity for this amendment, but the committee has no objection, if the gentleman does not like those words.

Mr. ALMON. I think it will remove any doubt about the purposes for which the building can be used.

Mr. WINGO. Let us see what the amendment is.

Mr. ALMON. My amendment strikes out, in lines 15 and 16, the following words: "For its accommodation in the transaction of its business.'

Mr. WINGO. Will the gentleman accept this provision? As I understood the gentleman from Massachusetts [Mr. Phelan], the proposition is to cut out the language next in line.

Mr. PHELAN. I will have to withdraw my statement, because some members of the committee state that they are unwilling to have those words stricken out. Inasmuch as they are not, I shall have to withdraw my statement.

Mr. ALMON. I would not want them to be required to use every part in the building for banking purposes.

Mr. HICKS. Will the gentleman yield for a moment?

Mr. ALMON. Yes.

Mr. HICKS. I had some idea about this matter before the gentleman spoke. It seems to me the way to eliminate the condition brought forward by the gentleman from Alabama [Mr. ALMON] would be to put in this phrase, in line 15, after the word "building," "a part of which shall be used," and then strike out "for its accommodation in the transaction of its business."

Mr. ALMON. That is all right, Mr. HICKS. That, I think, would cover the very objection the gentleman from Alabama has raised. It seems to me, if the gentleman will permit me speaking in his time, that there is a certain amount of confusion in this bill as it is worded, and I think the committee have an idea that the bank should be permitted to erect a building for office purposes as well as for its own purposes.

Mr. PHELAN. I think we are looking at the wrong place in the bill. At the top of page 5 the present law permits money to be spent for a building necessary in the transaction of its business. The section we are talking about is a limitation. It Savs:

Nor shall any such association hereafter invest in a site in bank building or bank and office building for its accommodation in the transaction of its business an amount in excess of.

The intention of the committee is that a bank can erect a bank building for bank purposes or bank building for bank purposes and for business purposes, letting offices to anybody who wants to hire them.

Mr. HICKS. Is it not rather ambiguous as it is worded here?

Mr. PHELAN. It is all controlled on the top of the page. Mr. ALMON. I ask the gentleman if it would not be per-

feetly clear, and the intention of the committee be carried out fully, if it read in this way:

Nor shall any such association hereafter invest in any site and bank building, etc., an amount in excess of its paid-up capital stock.

That is the way it would read with my amendment adopted. There could not be any objection to it. It would make it perfectly clear.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. PHELAN. I have some time left, Mr. Speaker?

The SPEAKER pro tempore. The gentleman has 20 minutes remaining

Mr. PHELAN. I yield two minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Speaker, at first I did not recall the fact that in the first subdivision, at the top of page, there occurs the same language, so I saw no objection to the amendment of the gentleman from Alabama. To say the least, it is superfluous language which he wishes to strike out. But in that connection, Mr. Speaker, I wish to say this, that my main purpose in taking the floor was to say that I do not agree with this limitation at all. I think it is vicious and unwise, and I think if directors can not be trusted to determine how much money to put in their bank building they ought to get new directors. I think the whole proposition is unwise and unnecessary. For that reason I opposed it in the committee.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from Alabama [Mr. Almon].

Mr. COOPER of Wisconsin. Mr. Speaker, I ask that the amendment be read.

The amendment was again reported.

The SPEAKER pro tempore. The question is on the amend-

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. PHELAN. Mr. Speaker, we had unanimous consent that debate would close in five minutes, and I think the gentleman from New York and I still have control of the time.

The SPEAKER pro tempore. The Chair understood that unanimous consent was that the gentleman from Alabama [Mr. ALMON] be permitted to offer an amendment and that he be limited to five minutes of debate. The Chair thinks there was no one else addressing the Chair, and the Chair recognized the gentleman from Wisconsin. Under the rules of the House the gentleman from Wisconsin has an hour.

Mr. PHELAN. Mr. Speaker, I do not wish to shut anybody

Mr. COOPER of Wisconsin. "The gentleman from Wisconsin" does not want any more than possibly a minute, or possibly two, or it may be extended to three. [Laughter.] does not want gentlemen to labor under any misapprehension. I would like to ask the gentleman from Massachusetts if this language here does not embody the law; as far as real estate is concerned, as it has been since the first national banking act?

Mr. PHELAN. I think it goes as far back as that, but I am

not sure how far it does go.

Mr. COOPER of Wisconsin. I think the old law restricts them within very rigid limits as to the amount of money that they can put into real estate and the purpose for which they can use the real estate, and very wisely; and I do not think in a House with a membership as small as it is just now we ought to proceed to amend it in any such way as this. I shall not consent to that amendment myself, and I shall do what I can to defeat it, because I do not believe in that way of legislating on such exceedingly important matters. I shall raise the point of no quorum, Mr. Speaker, if that thing is insisted on. The gentleman better withdraw the amendment.

I yield the floor on the promise of two gentlemen that we are

going to adjourn.

Mr. PHELAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it. Mr. PHELAN. Has the gentleman any right to the floor

when we meet one week from to-day?

The SPEAKER pro tempore. When the House meets on next Wednesday and this matter comes up, it will be entirely with the Speaker as to whom he will recognize.

ADJOURNMENT.

Mr. PHELAN. Mr. Speaker, I move that the House do now

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until to-morrow, Thursday, April 4, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting copy of communication from the Acting Secretary of Commerce inviting attention to a deficiency estimate of appropriation for the purchase of paper for printing charts for the Navy, Army, and Shipping Board, and for other necessary expenses of the Coast and Geodetic Survey (H. Doc. No. 1014); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Attorney General submitting deficiency estimate of appropriation required by the Department of Justice and United States courts, fiscal year 1918, and prior years (H. Doc. No. 1015); to the Committee on

Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. McCLINTIC, from the Committee on the Public Lands, to which was referred the bill (H. R. 9897) to authorize the contesting and cancellation of certain homestead entries, and for other purposes, reported the same with amendment, accompanied by a report (No. 456), which said bill and report were referred to the Committee of the Whole House on the state of

Mr. SMITH of Idaho, from the Committee on the Public Lands, to which was referred the bill (H. R. 7236) to amend an act to permit the use of the right of way through the public lands for tramroads, canals, and reservoirs, and for other purposes, approved May 11, 1898, reported the same with amendment, accompanied by a report (No. 457), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5720) granting an increase of pension to Harriet K. Bailie, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 2 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows;

By Mr. PARK: A bill (H. R. 11216) to amend section 1009 of the act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: A bill (H. R. 11217) extending the provisions of the act approved March 4, 1917; to

the Committee on Pensions

By Mr. MONDELL; A bill (H. R. 11218) to amend section 13 of the Federal reserve act so that maturity of paper drawn for agricultural purposes or based on live stock may extend to one year; to the Committee on Banking an' Currency

By Mr. JOHNSON of Washington: A bill (H. R. 11219) providing for the appraisal and sale of the Gig Harbor abandoned military reservation in the State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. HOUSTON: Resolution (H. Res. 300) providing for the consideration of H. R. 9960; to the Committee on Rules.

By Mr. DENT: Resolution (H. Res. 301) to set apart April 8 for the consideration of business from the Committee on Military Affairs; to the Committee on Rules.

By Mr. AYRES: Joint resolution (H. J. Res. 275) authorizing dismissal from the service of any Government employee showing disloyalty; to the Committee on the Judiciary

By the SPEAKER (by request): Memorial of the General Court of the Commonwealth of Massachusetts, relative to the independence of Ireland; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEAKES: A bill (H. R. 11220) granting an increase of pension to Alfred Dobbins; to the Committee on Invalid Pen-

By Mr. CARTER of Oklahoma: A bill (H. R. 11221) granting an increase of pension to Martin B. Wilson; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 11222) granting an increase of pension to Jethro J. T. Garde; to the Committee on Pensions. By Mr. KING: A bill (H. R. 11223) granting an increase of pension to John Hobart; to the Committee on Invalid Pensions.

By Mr. KRAUS: A bill (H. R. 11224) granting an increase of pension to Edward Stephens; to the Committee on Pensions.

Also, a bill (H. R. 11225) granting a pension to Dosia Bell Weimer; to the Committee on Pensions.

Also, a bill (H. R 11226) granting a pension to Lucy A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11227) granting an increase of pension to rank Lynch; to the Committee on Pensions.

By Mr. LINTHICUM: A bill (H. R. 11228) granting a pension to Thomas Foreman; to the Committee on Invalid Pensions. Also, a bill (H. R. 11229) granting a pension to Walter Sewell; to the Committee on Invalid Pensions.

By Mr. SULLIVAN: A bill (H. R. 11230) granting an increase of pension to Timothy K. Davis; to the Committee on

Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid

on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petition of 40 churches of Washington, D. C., asking that a day be set aside for prayer by the people for the success of the war for democracy; to the Committee on the Library.

Also (by request), petition of the Manuscript Club, of Boston, Mass., and Channing Pollock, of New York City, against the zone system for second-class postal matter; to the Committee on Ways and Means.

Also (by request), petition of the Woman's Municipal League, of Boston, Mass., relative to housing of Government workers; to the Committee on Public Buildings and Grounds.

Also (by request), petitions of the Star Farmers' Club. of Stanberry, and the Jester School Farmers' Association, of Saline County (Mo.), against reducing the price of corn; to the Committee on Agriculture.

Also (by request), petition of Wisconsin State Council of Defense, asking for prohibition during war; to the Committee

on the Judiciary.

By Mr. CARY: Petition of A. J. Conroy, Milwaukee, Wis., protesting against the amendment to the Agricultural appropriation bill to eliminate the potato grading feature of that act; to the Committee on Agriculture.

By Mr. CURRIE of Michigan: Petition of O. H. Smith and various other citizens of Harrisville, Mich., protesting against the passage of Senate bill 3476; to the Committee on the District of Columbia.

By Mr. DALE of New York: Petition of the G. B. G. Manufacturing Co., asking that income taxes may be paid in installments; to the Committee on Ways and Means.

By Mr. DILLON: Petition of citizens of Huron, S. Dak., asking for the defeat of the postal zone law, relating to postal rates for publications; to the Committee on Ways and Means.

By Mr. DOOLING: Petition of the Crockery Board of Trade of New York opposing the discontinuance of the pneumatic-tube mail service; to the Committee on the Post Office and Post Roads.

Also, memorial of the Medical Society of the County of New York, urging the passage of the Owen and Dyer bills giving advanced rank to officers of the Medical Reserve Corps of the Army; to the Committee on Military Affairs.

By Mr. ELSTON: Resolution adopted by Butchers' Union, Local No. 120, of Oakland, Cal., containing recommendations for conservation of the meat supply; to the Committee on Agriculture.

By Mr. EMERSON: Resolutions of the Cleveland Association of Credit Men, urging extension of time for the payment of income taxes; to the Committee on Ways and Means.

By Mr. HILLIARD: Resolutions adopted by the National Society, Daughters of the American Revolution, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of W. C. Sweeney, Emma Dieter, Rev. T. J. Hamilton, and 10 others, all citizens of the State of Colorado, urging prohibition as a war measure; to the Committee on the

Judiciary.

By Mr. REED: Papers to accompany House bill 11211, granting a pension to Carl C. Dunham; to the Committee on Pensions.

SENATE.

THURSDAY, April 4, 1918.

Rev. J. J. Muir, D. D., of the city of Washington, offered the

following prayer:

Our Father and our God, we recognize Thy rulership, and while clouds and darkness may be round about us, we know that righteousness and judgment are the habitation of Thy We therefore invoke Thy help that the forces that represent the establishment of righteousness in the earth may be guided by Thee to final victory. Hear us as we supplicate for our land and for all its interests and all those who are dear to us in these times of crisis. We ask in our Lord's name. Amen.

The VICE PRESIDENT resumed the chair.

The Journal of yesterday's proceedings was read and approved.

HOUSE BILL REFERRED.

H. R. 10265. An act to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs, was read twice by its title and referred to the Committee on Public Buildings and Grounds.

ESTIMATE OF APPROPRIATION (S. DOC. NO 212).

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Treasury, transmitting a letter from the Postmaster General submitting an estimate of appropriation in the sum of \$50,000 required by the Post Office Department for the service of the fiscal year ending June 30, 1919, for the enforcement of the espionage and trading-with-theenemy acts, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. McCUMBER presented a petition of sundry citizens of Golden Valley, N. Dak., praying for a repeal of the present zone system of postage on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. KNOX presented a memorial of the Philadelphia Bourse, of Philadelphia, Pa., remonstrating against the enactment of legislation providing for the abolishment of the Subtreasuries in the United States, which was referred to the Committee on Appropriations.

Mr. RANSDELL. I am in receipt of a telegram from citizens of my State, which I ask to have printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

LAKE PROVIDENCE, LA., April 3, 1918.

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Hon. J. E. RANSDELL,
United States Senate, Washington:
On April 2 East Carroll Parish liberty loan committee received wire from Federal reserve bank of Dallas naming allotment of \$107,600 for East Carroll Parish for third liberty loan. Wire was received here at 3.46 p. m. At 4.30 p. m. J. N. Hill, chairman of liberty loan committee, wired Federal reserve bank that entire amount had been subscribed. East Carroll Parish wins honor flag for Louisiana. Entire allotment subscribed in 44 minutes after being notified of amount. We consider this a great record. Please notify Senate and Secretary McAdoo and President Wilson.

J. Martin Hamley.

J. MARTIN HAMLEY.

Mr. PHELAN presented resolutions adopted by the farmlabor committee of the State Council of Defense of California, relative to the farm-labor situation and favoring the enactment of legislation providing for a better distribution of the labor of the country, which was referred to the Committee on Agriculture and Forestry.

PENSIONS AND INCREASE OF PENSIONS.

Mr. WALSH, from the Committee on Pensions, to which was referred the bill (H. R. 9612) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, reported it with amendments and submitted a report (No. 356) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 4259) for the relief of George K. Kitchen; to the Committee on Military Affairs.

By Mr. McCUMBER: A bill (S. 4260) for the relief of the Chicago, Milwaukee & St. Paul Railway Co., the Chicago, St. Paul, Minneapolis & Omaha Railway Co., and the St. Louis, Iron Mountain & Southern Rail-

way Co.; to the Committee on Claims.

A bill (S. 4261) to provide that petty officers, noncommissioned officers, and enlisted men of the United States Navy and Marine Corps on the retired list who had creditable Civil War service shall receive the rank or rating and the pay of the next higher enlisted grade; to the Committee on Naval Affairs.

A bill (S. 4262) for the relief of the estate of John Stewart,

deceased; and
A bill (S. 4263) for the relief of Capt. Frederick B. Shaw; to the Committee on Claims.

By Mr. REED: A bill (S. 4264) granting a pension to Jane L. Baker (with accompanying papers);

A bill (S. 4265) granting a pension to Gabriel N. Hildreth (with accompanying papers);

A bill (S. 4266) granting a pension to Robert E. Lee (with ac-

companying papers); A bill (S. 4267) granting a pension to Edward F. Rostock

(with accompanying papers); A bill (S. 4268) granting an increase of pension to Sarah Ann

Kelly; and

A bill (S. 4269) granting a pension to Mary E. Stafford (with accompanying papers); to the Committee on Pensions.

By Mr. PENROSE:

A bill (S. 4270) granting an increase of pension to Giles J. Burgess (with accompanying papers); to the Committee on Pensions.

By Mr. SIMMONS:

A bill (S. 4271) for the relief of the Commissioner of Internal Revenue; and

A bill (S. 4272) for the relief of the Commissioner of Internal Revenue; to the Committee on Finance.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. SHAFROTH submitted an amendment proposing to appropriate \$2,000 for statistician for Congress, Arthur Mac-Donald, intended to be proposed by him to the legislative, etc., appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

PUNISHMENT OF SEDITIOUS ACTS AND UTTERANCES.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 8753) to amend section 3, title 1, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes, approved June 15, 1917, which was ordered to lie on the table and be printed.

AGRICULTURAL APPROPRIATIONS.

Mr. GORE. Mr. President, in response to the request of the Senate, the House has returned the Agricultural appropriation bill (H. R. 9054) and in order to expedite its reference to conference I ask unanimous consent now to reconsider the vote by which the bill was ordered to a third reading and passed.

The PRESIDING OFFICER (Mr. CUMMINS in the chair). Is there objection to the request of the Senator from Oklahoma? The Chair hears none. The bill is before the Senate

and open to amendment.